

TOWN OF KENNEBUNK
SELECT BOARD
SPECIAL MEETING MINUTES
MONDAY, MAY 4, 2020 – 6:00 P.M.

1. CALL TO ORDER

On Tuesday, May 4, 2020, at approximately 6:00 p.m., L. Blake Baldwin, Chair of the Select Board for the Town of Kennebunk, called to order the Regular Meeting of the Select Board. Present were Select Board members L. Blake Baldwin, Wayne Berry, Edward Karytko, William Ward, Jr., Christopher Cluff, Frank Paul and Shiloh Schulte (who joined at 6:11 p.m.). **All members of the Select Board were participating via Zoom, with Baldwin being the only Select Board member physically at the Town Hall using Zoom.**

Also present at tonight’s meeting, at Town Hall and participating via Zoom, was Town Manager Michael Pardue and Finance Director Joel Downs.

2. DISCUSS ADVANCING THE FOLLOWING ARTICLES TO THE ANNUAL TOWN MEEING ON JULY 14, 2020 - Staff is recommending that the Select Board consider advancing these two warrant articles to the July 14, 2020 Annual Town Meeting.

As the note to the first article indicates, recent approved and expected additions to the Town’s future debt service makes it necessary for the Town to further approve an increase to the property tax limit for the budget.

The second article provides for potential cash flow funding needs due to the economic disruption caused by the COVID-19 coronavirus. It is unlikely that we will need to issue this short to medium term debt; it is strictly a funding safety net.

Please refer to supporting material – Draft Board Order used when Tax Anticipation Notes are issued (PDF)

Article ____: Referendum Question ____: To see if the Town will vote to increase the FY2020-2021 property tax levy limit of \$ _____ established by State law by an additional \$ _____. [Amounts will be provided at the meeting.]

(Note: This increase is due to future debt service payments associated with bonds authorized at the June 12, 2018 and June 11, 2019 Annual Town Meetings, as well as the bonds to be authorized through approval of the above referendum questions _____ and _____.)

Select Board recommends acceptance of this article by a vote of ____ in favor, ____ opposed.

YES
NO

Article ____: Referendum Question ____: To see if the Town will vote to authorize the issuance of notes in anticipation of tax collections (TANs) in an amount up to \$5,000,000, and payments of the associated debt service, for the purpose of funding possible tax collection short-falls, with such dates, maturities, denominations, interest rate(s), redemption provisions and other details as the Municipal Officers shall determine.

Select Board recommends acceptance of this article by a vote of ____ in favor, ____ opposed.

YES
NO

Discussion regarding first Referendum Question (property tax levy limit):

Wayne Berry spoke in favor of the proposed article related to an increase to the property tax limit for the budget.

John Costin said he understands the need to be proactive, suggesting perhaps too proactive. He feels more information is needed. He appreciates the administration thinking ahead. He thinks advancing this effort is a mistake.

Finance Director Downs continued by sharing further the basis for his recommendation of this article.

John Costin spoke further, expressing concerns over the proposed article having no dollar amounts within it.

A motion was made to approve the pro forma warrant article and advance it to a public hearing on May 12, 2020 (increase to property tax limit).

MOVED: Berry

SECONDED: Ward

VOTE: 6 in favor, 0 opposed, 1 absent (Cluff's connection to Zoom was lost). The motion passed.

Discussion regarding second Referendum Question (TANs):

Finance Director Downs explained this approach; in essence, it serves as a credit line to the Town.

Baldwin summarized saying in this case we would be granting ourselves a line of credit secured by notes that will be sold (most likely to a bank, most like Peoples United Bank by informal bid process, added Downs)

Cluff's connection to Zoom was lost.

To see if the Town will vote to authorize the issuance of notes in anticipation of tax collections (TANs) in an amount up to \$5,000,000, and payments of the associated debt service, for the purpose of funding possible tax collection short-falls, with such dates, maturities, denominations, interest rate(s), redemption provisions and other details as the Municipal Officers shall determine.

A motion was made to see if the Town will vote to authorize the issuance of notes in anticipation of tax collections (TANs) in an amount up to \$5,000,000, and payments of the associated debt service, for the purpose of funding possible tax collection short-falls, with such dates, maturities, denominations, interest rate(s), redemption provisions and other details as the Municipal Officers shall determine.

MOVED: Berry

SECONDED: Ward

VOTE: 6 in favor, 0 opposed, 1 absent (Cluff's connection to Zoom was lost). The motion passed.

A motion was made to send the above article to the voters.

MOVED: Berry

SECONDED: Ward

VOTE: 6 in favor, 0 opposed, 1 absent (Cluff's connection to Zoom was lost). The motion passed.

3. DISCUSS ANY OTHER BUSINESS

Berry asked to discuss an item that was discussed at the April 28th meeting, to consider advancing a question to the voters to give the Select Board the authority to sell any portion of the 15 Portland Road property. Berry said if we put property on the market after the July vote, there would be a better opportunity of selling it rather than waiting until November.

Schulte would like to see a conceptual idea by July for our potential use of the property.

Ward spoke of carving out the house and we would were interested in the land behind the house and not necessarily the house or a small triangular piece of the property.

Berry said there are possibilities for a number of things to happen, none of which he is proposing that we choose tonight. He said some possibilities involve splitting off the house and a piece of land, splitting off the small parcel that is not included in the big piece of land, retaining the right of way so we'd have an access from Summer Street to the property. What we need to ask the public for is to give the Select Board permission to sell any parcel of that acquisition of November 5, 2019.

Town Clerk Brown said he is comfortable ordering the ballots on May 13th; so the Board will see all the articles on the warrant on the May 12th Public Hearing, including the article on the sale of this property.

A motion was made to send to the Town Meeting on July 14 a warrant article that would seek permission and affirmation from the voters of the Town of Kennebunk for the Select Board to dispose of any and all portions of property received in the purchase of said 15 Portland Road as authorized at the TM of November 5, 2019 at terms satisfactory to the Select Board.

MOVED: Berry

SECONDED: Ward

Schulte wondered if the public was noticed of this since this was brought up under Any Other Business. Baldwin noted there was a lengthy discussion at their last meeting on April 28th.

VOTE: 3 in favor, 3 opposed (Schulte, Karytko, Baldwin), 1 absent (Cluff's connection to Zoom was lost). The motion failed.

Baldwin suggested we could still take this up at the May 12th meeting, if Berry wanted.

A motion was made to discuss this again at the May 12th meeting.

MOVED: Berry

SECONDED: Karytko

VOTE: 6 in favor, 0 opposed, 1 absent (Cluff's connection to Zoom was lost). The motion passed.

4. ADJOURNMENT

At approximately 7:20 p.m., a motion was made to adjourn tonight's meeting.

MOVED: Karytko

SECONDED: Berry

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



L. Blake Baldwin, Chair
Kennebunk Select Board

Date: 5/12/20