

**MINUTES  
FREEPORT TOWN COUNCIL MEETING #19-2005  
TOWN HALL COUNCIL CHAMBERS  
OCTOBER 11, 2005 – 7 p.m.**

**CHAIRPERSON'S CALL TO ORDER**

**PRESENT   ABSENT   EXCUSED**

Thomas Rumpf, P.O. Box. 819, S. Freeport	x
John Arsenault, Prout Road	x
Charlotte Bishop, Maquoit Drive	x
Rich DeGrandpre, Timber Ridge Road	x
Frederick White, 45 Pleasant Hill Road	x
James Cassida, 5 Timber Ridge Road	x
Genie Beaulieu, P.O. Box 74	x (Arrived at 7:07 p.m.)

Chair Rumpf called the meeting to order and noted that Councilor Beaulieu will be arriving later.

**FIRST ORDER OF BUSINESS:** To waive the reading of the Minutes of Meeting #18-2005 held on October 4, 2005 and accept the Minutes as printed.

**MOVED AND SECONDED:** To waive the reading of the Minutes of Meeting #18-2005 held on October 4, 2005 and accept the Minutes as printed. (Cassida & Arsenault)  
**VOTE:** (6 Ayes) (1 Excused—Beaulieu).

**SECOND ORDER OF BUSINESS:** Announcements

Chair Rumpf pointed out that this is a voting year. Elections will be held on November 8. Polls will be open from 7 a.m. to 8 p.m. at the High School. The absentee balloting process has already begun. Anyone wishing to vote in this manner can come to the Town Hall during regular business hours or by requesting an absentee ballot from the Town Clerk.

Chair Rumpf announced that the scheduled meeting of the Municipal Facilities Committee for a site walk has been changed from this weekend to October 29 because of conflicts. It will start at the Cove Road Boat Launch at 9:30 a.m.

Councilor DeGrandpre wanted to correct his comments from the last meeting regarding the Homestead Exemption. He noted that in order to file for a Homestead Exemption, residents should talk to the Town Assessor, not Johanna Hanselman. Johanna handles the Property Tax and Rent Refund programs.

Councilor DeGrandpre advised that tomorrow night a meeting is scheduled at 7 p.m. at Mast Landing School to start the "loud part" of the capital campaign for the Community Center.

Councilor Bishop reminded everyone that the Volunteer Picnic will be held this Sunday at Harb Cottage, rain or shine. There will be lots of nice prizes donated by local businesses.

**THIRD ORDER OF BUSINESS:** Public Comment Period – 30 Minutes (Non-Agenda Items Only)

There were no public comments so Chair Rumpf moved on.

**FOURTH ORDER OF BUSINESS:** To take action on the following items of business as read by the Council Chairperson.

ITEM #140-05      To consider action relative to adopting the October 11, 2005 Consent Agenda.

**BE IT ORDERED:** That the October 11, 2005 Consent Agenda be adopted. (White & Arsenault)

Chair Rumpf summarized the list for members of the public.

**ROLL CALL VOTE:** (7 Ayes)

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ITEM #141-05      To consider action relative to proposed amendments to the General Assistance Ordinance concerning Appendixes Updates (Maximum Levels of Assistance) and other minor Ordinance revisions. (Chapter 46). **Public Hearing**

**MOVED AND SECONDED:** That the Public Hearing be opened. (DeGrandpre & Arsenault) **VOTE:** (7 Ayes).

Johanna Hanselman explained that most of the changes to the Ordinances were made by MMA and Freeport utilizes the model ordinance that MMA puts together. They did develop this new version of the General Assistance Ordinance based upon revisions and updates to State law, Case law as well as updates to DHHS regulations. She reviewed them and recommends that Council approve them this evening. If the Council approves both the updates to the Appendix and the Ordinance revisions, Mr. Olmstead will need to submit the information signed by Councilors to the State to verify that Freeport is using the updated Appendixes as well as the MMA-model Ordinance.

**MOVED AND SECONDED:** That the Public Hearing be closed. (Arsenault & DeGrandpre)

**BE IT ORDERED:** That the proposed amendments to the General Assistance Ordinance be approved. (DeGrandpre & Arsenault) **ROLL CALL VOTE:** (7 Ayes).

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ITEM #142-05      To consider action relative to proposed amendments to the Zoning Ordinance concerning space standards in the Commercial District IV Zone (Chapter 21). **Public Hearing.**

**MOVED AND SECONDED:** That the Public Hearing be opened. (Arsenault & Bishop) **VOTE:** (7 Ayes)

Town Planner, Donna Larson, explained that the Council asked the Planning Board to take a look at this. They reviewed it and came back with a recommendation to reduce to 20,000 sq. feet but only if the access is shared. If the access is shared, there will be no road frontage requirement. If the access is not shared, the minimum lot size stays at one acre and there is a road frontage requirement of 100 feet. Members of the public that attended the Planning Board meeting were generally in favor of the recommendation.

**MOVED AND SECONDED:** That the Public Hearing be closed. (Arsenault & Bishop) **VOTE:** (7 Ayes)

**BE IT ORDERED:** That the proposed amendments to the Zoning Ordinance be approved. (Arsenault & DeGrandpre) **ROLL CALL VOTE:** (7 Ayes).

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ITEM #143-05      To consider action relative to a proposed ordinance for an expenditure of \$800,000 from the public infrastructure reserve fund for the Community Center Building Project. **Public Hearing**

**MOVED AND SECONDED:** That the Public Hearing be opened. (Beaulieu & Arsenault) **VOTE:** (7 Ayes).

Town Attorney, Geoff Hole, explained his ~~opinion~~ **recommendation** that the Town ~~will have~~ **should retain** title to all the real estate until the fund-raising effort proceeds to where the Town ~~can have only~~ **would be liable for only** the original \$750,000 raised through the bond issue and the \$500,000 State grant. He suggested that the Council take a slightly different action and do this by Ordinance. It will provide for a public hearing and if done by Ordinance, there is a referendum possibility and it would be good for everyone to have the timeframe that that possibility sets forth, 30 days. To anticipate moving ahead should the Council approve this Ordinance, he has prepared a modest purchase and sale agreement between FCS and the Town which conceptualizes a deal that their existing property would come into the ownership of the Town. As soon as the Town's investment is down to the \$750,000 and \$500,000, it will be turned back over. There will have to be provisions about use **of the Town's share of finished** space. He is confident that the details can be easily worked out, given the spirit of the project. He answered questions for Councilors.

Attorney Hole, searched the title and a mortgage was disclosed. Councilor Cassida explained that the plan is to use some of the monies already in hand to eliminate the existing mortgage before transferring ownership, **and to eliminate any mortgage liens on the property.**

Bob Stevens was unable to attend tonight's meeting. Ed Bradley, representing the Community Center Coalition, noted that everyone supports the idea of a community center. This is not the issue, the issue is how do we pay for it. He encouraged the Council to make the same decision this evening that was made earlier. He asked people in the audience to stand up and identify

themselves, to give Councilors a sense of who's in the audience. He outlined some of the things that the community center will do for Freeport.

Leslie Livingston, Executive Director of FCS, revisited the value of this project. She pointed out that the whole purpose, goal and mission of this community center will probably serve 5,500 people a year. FCS is collaborating with the schools, business community, the YMCA, Wolfe Neck Farm, etc. The fundraising committee has raised one-third of the money over the summer that it was asked to raise without going public. FCS will pay interest on the money. They are not sure they will even need the \$800,000 loan. She pointed out that the community center is not just FCS. Its purpose is larger than that.

Peter Warren, President of Warren Group and Construction Manager for the project, explained that he needs to let bidders know by October 15 if there is a project or not. It is his opinion that going out to re-bid is not a good idea and he urged Councilors to not consider this option. Everything related to construction right now is escalating. Mr. Bradley estimated that not honoring the contracts at this time ~~could possibly~~ **would likely** add \$100,000 to this project ~~as well as~~ **in addition to** the loss of the \$500,000 State grant, **a total of \$600,000.**

The following people urged Councilors to grant the \$800,000 loan:

- Jonas Werner, VP of the Freeport Merchants Association
- Patricia Gile, representing the Freeport Elders
- Betsy Ruff of Durham Road
- Evan Thompson, Senior at Freeport High School
- Steve Brown, Fund Raising Committee
- John White of South Freeport
- Rod Regier of South Street
- Brenda White, Community Center Project Committee
- Deborah Levonsalor from Harpswell
- Judy Miskell of Marquis Road
- Tom McDermott of the FCS Board

The following residents are not in support of the \$800,000 loan but most are not necessarily opposed to the Community Center. They voiced their individual concerns and the majority recommended that the project go to referendum.

- Dave Backman of 116 Maquoit Road
- Scott Poulin, Baker Road
- Richard Harris of 20 Royal Avenue
- Joe Migliaccio of South Freeport Road
- Eleanor Backman of 116 Maquoit Road
- ~~Jean Gusineau~~ **Cousineau** of Maquoit Drive
- Judy Welch of Maquoit Drive
- Pauline Harris of 20 Royal Avenue
- Jerry Kennedy of Pine Street

Greg L'Heureux, Finance Director, pointed out that the interest rate proposed is 3% where a commercial loan could possibly be 6 ½ or 7%. The rate could possibly be structured in some capacity where the project could get tax-exempt financing. Some type of development association would have to be formed in order to do this and eventually would require voter approval. Ms. Livingston noted that she could not say that the FCS Board would be willing to go for bank financing. She reiterated that this is not simply an FCS project, it is a town project.

Mr. L'Heureux explained where the funds would come from and how it relates to the Town's policies. He answered questions for Councilors. Discussion followed.

Attorney Hole noted that any Councilor, who felt he/she could not be objective, should disclose this and refrain from voting on this issue.

**MOVED AND SECONDED:** That the Public Hearing be closed.  
(Cassida & Beaulieu) **VOTE:** (7 Ayes).

**2 Minute Recess was taken**

**The meeting reconvened.**

Councilor Beaulieu noted that she would be voting against moving ahead on this appropriation because she thinks it is the wrong thing to do for this amount of money.

**MOVED AND SECONDED:** To move ahead immediately to act on this issue after the public hearing. (White & Bishop) **ROLL CALL VOTE:** (6 Ayes) 1 Nay—Beaulieu).

WHEREAS, on September 20, 2005 the Town Council voted to advance funds from the Capital Reserve Funds for a loan not to exceed \$800,000 for the construction of the Freeport Community Center Project; and

WHEREAS, it is desirable to more formally take the above action by Ordinance; and

WHEREAS, Freeport Community Services is undertaking a fund drive to insure that the Town's investment is reduced to the limits of the Town's earlier \$750,000 appropriation and \$500,000 State of Maine grant;

NOW, THEREFORE, the Town of Freeport hereby ordains: A sum not to exceed \$800,000 is authorized for expenditure from the Public Infrastructure Reserve for the construction of the Freeport Community Center Project, to be advanced to the Project in a manner that reasonably

protects the Town's interest in the Project as determined by the Town Manager and Town Finance Director, with advice from the Town Attorney, such protection to remain in place until the Project is either conveyed to Freeport Community Services or the Town's investment in the Project is reduced to the \$750,000 appropriation and/or the \$500,000 State of Maine grant.  
(Bishop & Cassida)

Chair Rumpf stated some of the key things he heard this evening:

1. This decision indicates a certain faith in the private fund-raising effort.
2. We need to ensure that the interest of the taxpayers is protected to the full extent feasible.
3. Reserve funds—this is a ~~decision for the Council that needs to be considered that is a~~ question of priorities. By making this decision in the affirmative, the Council is saying this is a priority for the Town. It will have some impact on the Council's capital budgeting process, not a horrendous impact, but the Council will need to be more careful in capital budgeting for other items. He wants the Council to recognize this tonight. If the Council agrees to do it, it is in the context of recognizing this and it will have impact on other ongoing capital projects that the Council typically considers every budget season. This is part of the Council's decision.

Mr. Olmstead noted that no one can tell the Council what the impact will be on capital budgeting going forward. Budgets change from year to year depending upon department needs. Assuming that this money is repaid with a reasonable interest rate, over the long term the Council will be able to fund its capital programs but will have to delay some of the projects.

Councilor Beaulieu has a problem with the Council spending \$800,000 without voter approval. The money in reserves is truly money the Council could give back to the taxpayer. She believes this issue should go to the voters.

Councilor DeGrandpre noted that the Council needs to analyze and get a better handle on what the capital reserve accounts are. Some large capital projects are lying out in front but they are 4-5 years away. He noted that the Council has been comfortable spending the interest on \$750,000 for 4 years. He can live with 3%. He feels the Council is financially responsible and is doing the best it can with this money. Every year they are learning to better use the tools they have in front of them.

Councilor Bishop pointed out that everyone in Town wants a community center and have wanted it for years. It is for the people of Freeport. This project has been ongoing for years.

The DeLorme deal was a disappointment for everyone. These people can only come to the plate so many times.

Councilor Arsenault is Councilor-At-Large and he has not received one phone call in opposition to this project. He is confident that the public is aware of what is going on. He will be voting in favor of this project. He is aware that FCS has outgrown its facility and residents need the services FCS provides. The community center will give Freeport a sense of community. It is for the taxpayers of Freeport and not necessarily for the businesses.

Councilor White pointed out that his mind was not made up until tonight. He addressed some of the points in Mr. Poulin's letter. He noted that there has been incredible planning taking place over the years. He agrees that this is a Town project and pointed out that should something happen, the property will revert back to the Town. He believes the risk is fairly minimal. He will be voting in favor of this project.

Councilor Cassida is very proud of this community. He has watched for the better part of two years, a wide variety of people involved in one way or another in the process drive this process forward. There has been a tremendous desire to have a community center where the people of Freeport can gather and have a sense of self and an identity that is something other than Freeport, the retail mecca. It wouldn't have happened if there wasn't overwhelming support from the people in Freeport. It will be a tremendous place where everyone can have some benefit. He would encourage everyone to get involved in it in some way. He is also proud of the Town. The Council has tried very hard to be fiscally responsible in the last few years. They have been able to manage Town affairs and reduce taxes for the Freeport property owners and maintain services at a high level. The Council has established reserve accounts over a number of years that affords it a wonderful opportunity to further a project that probably won't go forward without Town support. He is confident that without Town support at this time, this project will die.

Councilor DeGrandpre noted that he has spoken to people that are willing to make small donations over a period of years. He sees this as a loan and is confident it will be repaid. He does not have a problem supporting this tonight.

Chair Rumpf thanked everybody who came out this evening. He appreciated hearing from all sides. He has had reservations about using the reserve funds but feels it is the right decision to make. He wanted assurance that the Town's interests would be protected and the Council has come a long way from what was originally proposed. With Attorney Hole's help, the Council has come up with a plan that has been agreed to by FCS and the Coalition that protects the Town's interests. He noted that FCS is also taking a risk. They have over \$300,000 of equity in those buildings that they are giving to the Town if this goes through. If they don't raise the money, the Town owns that equity. He has had significant reservations about using the reserve funds but still feels it is the right decision to make, given the protections we have. His preference would have been to go to a vote of the people but the timing has not worked out to do that. He sees this decision as making some decisions regarding next year's capital budget. He recognizes this in making this decision. This Council sitting tonight is the first Council that has brought down the tax rate in Freeport outside of a revaluation year in recorded history so it does take its responsibility to the

taxpayers very seriously. While there was some help by the State in increasing our school appropriations, there were some very tough decisions made. It is not an easy thing to do because everyone wants his or her programs funded. If the Council votes to support this, he pledged to the taxpayers that for the month he has left, he will work very hard with Attorney Hole and Mr. Olmstead to tie up all the loose ends in terms of the protections to the Freeport taxpayers to ensure that the legal agreements that are entered into provide the most protection. He thanked the Coalition and FCS for being willing to take some risks with the Council.

Councilor Beaulieu wanted to make sure that going forward, the Town Manager is authorized to sign all purchase and sale agreements as well as construction agreements.

**MOVED AND SECONDED:** To amend the order that the Town Manager will be authorized to sign the purchase and sale agreement, the construction agreement and related documents after review by Council leadership. (Beaulieu & White) **ROLL CALL VOTE:** (7 Ayes)

**ROLL CALL VOTE ON AMENDED ORDER:** (6 Ayes) (1 Abstention—Beaulieu)

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Chair Rumpf thanked everyone involved.

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ITEM #144-05      To consider action relative to a request for a waiver of the building permit fee.

**BE IT ORDERED:** That the building permit fee for the Freeport Community Center project be waived.

**Note:** The cost of the building permit will be \$2,530.00. (Bishop & Arsenault)

Mr. Olmstead recommended that only the building permit fee be waived and the electrical and plumbing fees not be waived. Councilors concurred.

**ROLL CALL VOTE:** (6 Ayes) (1 Excused—Beaulieu)

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#### **OTHER BUSINESS:**

1. Recommendation on the purchase of Accounting Software – Greg L'Heureux.

Mr. L'Heureux suggested that this be tabled. He doesn't have a contract tonight. He is working out the details of the contract but it will be less than what was appropriated. A savings will be obtained as a result of doing this as a cooperative venture with other communities. The School will pay for the applications they require.



2. Informational Exchange.

Chair Rumpf brought up the Budget Advisory meetings and asked if Councilor Bishop will be able to attend. Councilor Bishop noted that she cannot leave work for 4:30-6:30 p.m. meetings. Chair Rumpf asked if any other Councilor would be willing to participate in any or all of these meetings. Councilor Arsenault advised that he attended these meetings for four years and he did have input in the process, which eventually lowered County costs. Mr. Olmstead explained that Freeport no longer has an elected seat this year. Someone from Yarmouth is representing Freeport. Councilor Beaulieu mentioned two items that Freeport may want to speak to and suggested that the Council should put something in writing to Jim Cohen or our Yarmouth representative. Mr. Olmstead expects to receive a copy of the draft budget. Chair Rumpf asked Mr. Olmstead to request a copy and review the draft with Greg L'Heureux and come to the Council with some thoughts in a draft that we could send to the Chair, Vice Chair and our representative. The Council will be meeting on the 1<sup>st</sup> and Mr. Olmstead was asked to bring in the draft letter that the Council can approve and send on. Mr. Olmstead offered to call tomorrow to see if the draft is available.

Councilor Beaulieu asked about the Town Charter being given out. Mr. Olmstead explained that a reprint of the charter is coming out this week that includes all the amendments. The charter is also on the Town's website.

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**ADJOURNMENT**

**MOVED AND SECONDED:** To adjourn at 11:55 p.m. (Bishop & Beaulieu)  
**VOTE:** (7 Ayes).

Respectfully Submitted,

Sharon Coffin  
Council Secretary