

FINANCE COMMITTEE MEETING

Monday, September 20, 2010
5:45 p.m.

Hampden Town Office

1. Minutes of 9/7/2010
2. Review and Sign Warrants
3. Financial Statements
4. Old Business
 - a. SAD #22 Hampden Academy Reuse
5. New Business
6. Public Comments
7. Committee Member Comments

FINANCE COMMITTEE MEETING MINUTES
September 7, 2010

Attending:

- Mayor Matthew Arnett
- Councilor William Shakespeare
- Councilor Janet Hughes
- Councilor Jean Lawlis
- Councilor Andre Cushing III
- Councilor Tom Brann
- Town Manager Sue Lessard

1. The minutes of the 8/16/2010 meeting were reviewed and accepted on a motion by Councilor Shakespeare without objection.
2. The warrants were reviewed and signed by the Committee members.
3. Old Business
 - a. Municipal Building Boiler Bids - Motion by Councilor Shakespeare seconded by Councilor Lawlis that the Committee recommend to the full council the acceptance of the bid from Industrial Heating and Piping in the amount of \$71,610 for replacement of the municipal building boilers. Vote 6-0.
 - b. SAD #22 Academy Re-use – The Committee discussed the upcoming meeting to be held on 9/14 in Winterport for the three SAD #22 communities to discuss concerns related to the decision by the SAD #22 Board to retain the current Hampden Academy property after the new high school construction was completed
4. New Business – None
5. Public Comment
 - a. Resident Joyce Rankin attended the meeting to discuss a request for the Town to provide Saturday bus service in Hampden. She presented a letter and a list of signatures of people who supported the idea. It was the consensus of the Committee to recommend to the full Council that the topic of Saturday Bus Service be assigned to the Services Committee for investigation and recommendation.
6. Committee Member Comments
 - a. Councilor Shakespeare had constituent questions related to
 1. Why Hampden does not offer payment discount for taxes? The Town Manager explained that in order to offer a discount, the community would have to raise money to

fund that sort of a credit. On a tax commitment of \$9,000,000, for a 2% discount, the Town would have to raise \$180,000. That would increase the mil rate by approximately 30 cents and create a bigger burden for all taxpayers.

2. Why does the Town not accept credit cards? The Town Manager explained that accepting credit cards involves a percentage fee charged to the town by the credit card agencies. There is no way to know that fee at the time of a transaction and absorbing the cost of the fees by the Town is unfair to residents who would not use a credit card. The Town does accept debit cards because the fee per swipe is a known amount and is collected from the user at the time of the transaction.
- b. Councilor Brann commented that the budget for next year should include funds for painting the trim on the municipal building since it is starting to flake.

The meeting was adjourned at 6:55 p.m.

Respectfully submitted,



Susan Lessard
Town Manager

DRAFT DRAFT DRAFT DRAFT

September 22, 2010

Mr. Timothy Pease, Chair
SAD #22 School Board
24 Main Road North
Hampden, ME 04444

RE: Concerns regarding vote to retain Hampden Academy Property

Dear Chairman Pease and SAD #22 Board Members,

The purpose of this letter is to discuss the concerns of the municipal officials of the SAD #22 member communities of Hampden, Winterport, and Newburgh in regard to the recent School Board decision to retain the current Hampden Academy property once the new high school opens.

On Tuesday, September 14th the Town Councils/Boards and their appointed Managers met at the Victoria Grant Center in Winterport to formulate a response to your decision to retain the soon-to-be-vacated Hampden Academy site. The School Board and administration were also invited to attend this meeting and Superintendent Lyons attended.

While officials of the three municipalities that comprise SAD #22 recognize that the School Board was within its legal rights to take the action that it did in making the vote to retain the property, they do not agree with the contention of the Superintendent made at a meeting in Hampden on September 7th that the municipal officials of the three communities have no 'right' to question or express concerns over that decision because they have no legal interest in the decision. As the entities that are assessed annually to pay costs associated with the operation of the District, actions taken that may increase those costs or that appear to be different from what was previously promised are certainly within the purview of those officials.

I have attached the list of twenty four concerns that were cited during the meeting in Winterport. While these items are cited separately, there are in essence, five major areas of concern.

1. Cost, Condition, & Timing - One overwhelming concern of all in attendance is related to the cost of continuing to retain ownership of the old site once the new high school has been opened. A

majority of the campus is not in a fit condition for occupancy by others and is a traffic nightmare – hence the need for the new academy at a different site. The School administration has indicated that it has a two year planning window to ‘find’ an educational use for the property. In reality – that is far too long a time period. If there is to be any hope that the academy property not be a fiscal albatross around the neck of the District for a period of time after closure – its disposition has to be in a ‘ready-to-go’ state at the time the new high school opens. Failure to do that will have no recourse other than for member municipalities to pay for the cost of upkeep on the old facility for an unknown period of time.

2. Mission & Legal Standing– Although the School Board has indicated that it is retaining the property for educational purposes, none have been defined, and the District is seeking funds for a feasibility study to ‘find’ a purpose. It is of concern that this vote to retain was taken with no plan behind it to support it. It is our understanding that there was no legal requirement that that decision be made at this time. Discussion at the September 7th meeting in Hampden with administration and School Board Representatives indicates that the District is really seeking a way to make the former academy site into a funding source for the District or its attendant 501(c) 3. The Municipal representatives have serious concerns about changing the mission of the District to one that includes economic development strategies. At the present time there is nothing in law that allows for a school district to be in the economic development business. Legislation would have to be enacted to allow that and it is unclear as to whether that would garner sufficient support at the local level – or at the state level – for passage.
3. Public Perception – It is the contention of the Municipal officials of the three communities that during the development and ‘selling’ of the new high school project and the attendant re-use investigations conducted by WBRC with the communities of the district that there was never a public discussion or indication that the District would seek to retain the old property. It was the belief of all that it would follow the ‘normal’ course of the law in regard to disposition of closed schools and that the re-use ideas put forward by those in the visioning sessions would give direction to the eventual use of the property in the Town of Hampden.
4. Transparency – It is of concern to the Municipal officials of the three communities that the desire to retain the property and find ways for it to provide a funding stream to the District may move this from a public process subject to voter approval to one in which a 501 c3 is making funding decisions for augmented programs. As a further

means of providing transparency to this process, it is the belief of the municipal officials of the three communities of the district that the School District should hold a referendum vote in all three communities before determining a course of action related to the retention of the old Hampden Academy site.

5. Need – The ideas that an educational purpose may be found for the old Hampden Academy site and that there may be a way to change the law to allow a school district to use other properties under its ownership for economic development are not related to a need that fits the K-12 student population in SAD #22. It is the contention of the municipal officials of the three communities that the new facility being designed has the capacity not only for expansion at the current site – but capacity in terms of time availability to serve more than K-12 educational ideas as well.

Further, the 'one campus' concept that located the new high school adjacent to the other schools already in existence may be augmented by additional land owned by the Town of Hampden that is adjacent to school property. If there is real concern about the need for additional land for school construction in the future – that is the logical location for it – not the former academy site. No exploration has been done with the Town of Hampden about the possibility of 'swapping' land to address such a concern.

The municipal representatives of the three communities will be reconvening to discuss this subject further on Tuesday, October 26th at the Victoria Grant Center in Winterport. It is our request that the SAD #22 School Board consider the questions and issues that have been raised by the communities and respond to them in writing before that date.

Thank you, in advance, for your consideration of these questions. While there are clear role differences between school and municipal officials – we are all responsible to the same electorate for our funding. The upcoming year is going to see further funding constraints at both the educational and municipal levels from the State. It is necessary that we find ways to work cooperatively to insure that impacts to the taxpayer are minimized.

Sincerely,

Hampden, Winterport, Newburgh Officials

List of Concerns from 9-14-2010 Meeting

1. The old site could be a budget drain for SAD #22 communities.
2. Towns believed that the old high school property would be abandoned and not retained.
3. Towns 'sold' the new high school project based in part on the unsafe condition of the old facility, and that it would not be retained.
4. There is a lack of specificity in the SAD #22 Board's retention plan and a two year planning window will result in the need for tax dollars to pay for maintenance and upkeep in the time period between planning and any development that might occur.
5. The SAD #22 Board should turn property over to the Towns when it is no longer needed for K-12 education. Some communities in the District gave property to the school district for a token amount and the District should act in kind when it no longer needs a school in the district for a K-12 purpose.
6. What is the compelling need for retaining the old academy?
7. Why not use the new high school facility for additional functions instead of developing the old site?
8. Special legislation would be required to allow public/private partnerships of the SAD and developers. There is concern over the transparency of any planning in this area.
9. The visioning sessions held as part of the WBRC re-use process included non-educational re-use of the old site.
10. During the planning process for the new high school communities and residents were never informed that the SAD #22 Board intended to retain the old high school property.
11. What is the reaction of the DOE to the idea of retention?
12. What role did/does the WBRC re-use plan have in the future of the school property?
13. Bottom line concern of source (taxpayers at all levels) for funding any changes to the property.
14. Municipal officials are upset at the statement by the School Superintendent questioning the 'right' of municipal officials to comment on the proposed property retention.
15. Legislative changes to allow for SAD #22 to do development would include costs in terms of time and money and could potentially face opposition from other communities and interest groups as well as opposition from local residents in Hampden, Winterport, or Newburgh.
16. How does the school retention/redevelopment fit into the mission of SAD #22 as stated on its website?

17. What would funds derived from the reuse be used for? Defraying the cost of the budget or for extras?
18. How would the school department act as an economic developer under current law?
19. Can the school district lease property to for-profit entities?
20. What does the term '4th town' that the school superintendent uses mean?
21. The legal opinion of the school attorney agrees with the legal opinion of the Town attorney in regard to school property disposition statutes. What other legal opinion is SAD #22 relying on to go forward with the retention and re-use?
22. The time frame remaining if the school takes two more years to consider its options is not long enough for immediate action following exodus from the school. The SAD #22 Board should consider a planning window of 6 months instead.
23. Concern over the intent of the School Board in making the decision to retain the property before having any clear idea of what its use might be and the expansion of the role of the School Board into the role of property developer.
24. Would the School Board hold a referendum vote in all three communities prior to taking final action to retain the Hampden Academy property?