



HAMPDEN TOWN COUNCIL
HAMPDEN MUNICIPAL BUILDING
MINUTES

MONDAY

FEBRUARY 6, 2017

7:00 P.M.

6:00 p.m. – Finance & Administration Committee

Mayor Ryder called the meeting to order at 7:00 p.m.

Attending:

Mayor Ryder

Councilor Sirois

Councilor McPike

Councilor Wilde

Councilor Marble

Councilor Cormier

Councilor McAvoy

Town Manager Angus Jennings

Town Clerk Paula Scott

Pool Director Darcey Peakall

Trustees of the Lura Hoit Pool

Attorney Noreen Norton

Attorney Erik Stumpf

- A. PLEDGE OF ALLEGIANCE** – *Mayor Ryder led the Pledge of Allegiance*
- B. CONSENT AGENDA** – *Councilor Marble made a motion, seconded by Councilor McAvoy, to approve the consent agenda. Unanimous vote in favor.*
- 1. SIGNATURES**
- 2. SECRETARY'S REPORTS**
- a. January 17th, 2017 Council Meeting Minutes**
- 3. COMMUNICATIONS**
- a. MMA Legislative Bulletin**
- b. Minutes from the 01/19/2017 Public Safety Citizen Advisory Committee**
- c. Memo from PERC with 1st Quarter Tipping Fee**
- 4. REPORTS**
- a. Finance Committee Minutes – 12/19/2016**
- b. Infrastructure Committee Minutes – 12/27/2017**
- c. Planning & Development Committee Minutes – 01/04/2017**
- d. Services Committee Minutes – 12/07/2016**

NOTE: The Council will take a 5-minute recess at 8:00 pm.

C. PUBLIC COMMENTS - None

D. POLICY AGENDA

1. NEWS, PRESENTATIONS & AWARDS -

- a. **Recognition of Karen Brooks for 14 years of service on the Lura Hoit Pool Board of Trustees** – *Mayor Ryder called pool director Darcey Peakall to the podium who then read a statement of thanks to board member Karen Brooks for all that she has done for the Lura Hoit Pool as a Trustee for the past 14 years. Darcey presented Karen with a bouquet of flowers and a certificate of appreciation. Karen then offered her thanks for the recognition, and addressed the council regarding what a resource the pool is for the town and her hopes that it will continue. She thanked her fellow board members for their support and for their dedication. She thanked the Council for all they do for our community.*

2. PUBLIC HEARINGS –

- a. **Consideration of a Municipal Tax Increment Financing Development Program for the District known as the “Hampden Business Park Omnibus Municipal Development and Tax Increment Financing District” and a proposed credit enhancement agreement with the developer, Sargent Corporation, all pursuant to M.R.S.A. Title 30-A, Chapter 206– referred by Council** – *Mayor Ryder opened the public hearing at 7:10 and called Noreen Norton to the podium to give a brief overview for the public. Noreen explained that the Council was very familiar with the TIF and the Development Agreement that was passed in 2014 and which is the impetus for this TIF under the terms set forth in that agreement. As stated, this is the “Hampden Business Park Omnibus Municipal Development and Tax Increment Financing District”, approximately 130 acres which is the Business Park, including all roads and green space. It is a 30 year term, with a 20 year Credit Enhancement component. The Credit Enhancement agreement is set to start July 1st, 2018 in accordance with the agreement. There is a town tract and a developer tract; the developer tract is 53 acres and the town tract is 77 acres. Lots within the developer’s tract are subject to the Credit Enhancement Agreement, and any CEA on individual lots can last up to 10 years of that 20 year Credit Enhancement. The revenue is hard to project, not knowing what will go in there, so the projection was based on \$500,000. For any Credit Enhancement to kick in, any new development, whether on the site, or new buildings, must be valued at \$500,000.*

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Based on this projection, over a thirty year period, the tax revenue would equal \$273,000 for the town. The Credit Enhancement to the developer, over the allowed ten-year period would be \$45,500. Another benefit of TIF is tax shift. For any new valuation that comes in, the State will reduce State Revenue sharing and school subsidy, and the county will increase county taxes. Based upon \$500,000 the tax shift is an average annual \$5,200. At the conclusion of the overview, Chip Blake, the Resource Manager for Sargent Corporation approached the podium to give an update on the status of the development. The Carey Circle section is almost complete. The paving and sidewalks are in, with just a little more landscaping needed. They anticipate in spring to apply to turn that over to the town. On the east side, the road base is all in and all utilities except for power and is ready to be paved. This also should be complete by summer. He thanked the Planning & Development committee, the Council, and especially town staff. He stated it is a phenomenal project and it has taken a lot of working together to get where they are today. Councilor Marble questioned Noreen about the proceeds and whether it was per district or per lot. Noreen explained that it is all one lot and because the credit enhancement kicks in at \$500,00 and because we don't know what to anticipate, on any or all, that number was chosen as a number so that they could calculate the tax revenues on that value and the tax shift amount would be on that value. If each of the 20 lots had an increase in value to a million, there would be a \$20,000,000 investment coming into the park. Councilor McAvoy asked that since the CEA is for a 20 year period and the TIF is for a 30 year period, that means that the benefit to Sargent ends, to which Noreen confirmed. He asked if that meant that the new tax revenue going to the town is still retained within the TIF accounting process. She stated that at the end of the term of the CEA, all incremental tax revenue goes to the town. She stated that the town has the annual option to take any portion of its TIF revenues and put into the general fund. Councilor McAvoy asked if this was a benefit to the tax payers as the town would then be able to offset town expenses. Noreen confirmed and stated that there are items such as salaries for employees working on economic development, and certain road projects and other items that can be paid out of the TIF revenues. There were no further questions and the public hearing closed at 7:22 with Mayor Ryder asking for a vote. Manager Jennings stated that within the TIF documents is Exhibit G, which is in the form of a resolution and which the town clerk has assigned an order number to, stating that this is the form of the motion that DECD will be looking for. He stated that this could be read verbatim, or referred to as Exhibit G. He stated that because this is the first order the Council has approved this calendar year, it was assigned Order # 2017-001. Attorney Stumpfel advised that the motion could be to approve the proposed development Program and the Credit Enhancement Agreement as presented on the Resolution marked Exhibit G. Councilor McPike made a motion to approve Order # 2017-001, as printed in the packet. Councilor McAvoy

seconded the motion. Unanimous vote in favor. Manager Jennings commended the consultants, Sargent Corp. and the Council, through the P & D Committee, for all of the hard work on this and asked Noreen to outline the next steps. Noreen informed the Council and the public that once the minutes and the Council resolution are compiled, it is sent to DECD who will review it for statutory compliance. The program manager will review it, then the incentive manager will review it, and then a recommendation will be made to the Commissioner. She stated we will likely receive our letter of approval by June 30th for the July 1st start date.

3. NOMINATIONS – APPOINTMENTS – ELECTIONS - None

4. OLD BUSINESS

- a. **Verbal update on 1/19/2017 meeting between Manager Jennings and Superintendent Lyons as well as the upcoming meetings with Town, School and State legislative officials regarding the FY18 budget process; and financial impact of State policies – Manager Jennings updated the board on his January 19th meeting with Superintendent Lyons to set out some rough time lines for budgeting for FY18. There is a follow up meeting next week which will include the managers from Newburgh and Winterport and representatives from the Board in Frankfort to discuss potential cost drivers for the budget. Additional follow up is the facilitation of a meeting with legislators for possible impacts from the state on both the school and the towns.**

5. NEW BUSINESS

- a. **Request for authorization for the expenditure of \$1,447.36 out of Matching Grant Reserve funds for the purpose of purchasing rescue equipment– referral from Finance Committee - Councilor Wilde made a motion to authorize the expenditure of \$1,447.36 out of Matching Grant Reserve funds for the purpose of purchasing rescue equipment. Councilor McAvoy seconded the motion. Unanimous vote in favor.**
- b. **Request for authorization for the expenditure of \$195.83 out of Municipal Building Reserve funds for the purpose of paying Penobscot Temperature Controls for boiler repair – referral from Finance Committee – Councilor Wilde explained that this should normally come from an operating account and will be for FY18, but at this time, the Finance Committee referred it to come from reserves. Councilor Wilde made a motion to authorize the expenditure of \$195.83 out of the Municipal Building Reserve for the boiler repair.**

Councilor McAvoy seconded the motion. Unanimous vote in favor.

- c. **Request for authorization for the expenditure of \$481.00 out of Municipal Building Reserve funds for the purpose of paying PDQ Door for fire bay door repair – referral from Finance Committee –** *Councilor Wilde explained that this is a similar situation in that this should normally come from an operating account and will for FY18, but at this time, the Finance Committee referred it to come from reserves. Councilor Wilde made a motion to authorize \$481.00 out of Municipal Building Reserve for the fire bay door repair. Councilor McAvoy seconded the motion. Unanimous vote in favor.*
- d. **Council referral to public hearing, the proposed amendments to the Fees Ordinance under Article 6 Recreation Fees– referral from Services Committee –** *Councilor Marble reported that Recreation Director Shelley Abbot and Manager Jennings have been working hard on determining the impact that the recently passed increase in minimum wage will have on Rec programs and operational costs and the Services Committee recommended sending the fees amendments to Council. Councilor Marble made a motion to refer the proposed amendments to the Fees Ordinance to Public Hearing on February 21st, 2017. Councilor McAvoy seconded the motion. Unanimous vote in favor.*
- e. **Request for authorization for the expenditure of \$4,870.00 out of the Environmental Trust – Principal funds for the purpose of reimbursing Host Community Benefit account for December 2016 expenditure in that amount for Drumlin, LLC landfill post closure monitoring – referral from the Finance Committee –** *Councilor Wilde explained how the Environmental Trust has not been active since approximately 2009, but has now been re-activated to help fund expenses for items such as landfill monitoring and conservation. Councilor Wilde made a motion to authorize the expenditure of \$4,870.00 from the Environmental Trust for the purpose of reimbursing the Host Community Benefit account for December 2016 expenses to Drumlin, LLC. Councilor McAvoy seconded the motion. Unanimous vote in favor.*
- f. **Referral to Planning Board – Proposed amendments to Zoning Ordinance to allow for Accessory Apartments – referral from the Planning & Development Committee –** *Councilor McPike discussed work done in P & D for the allowance of accessory apartments. Councilor McPike made a motion to refer the proposed amendments to the Zoning Ordinance to the Planning Board. Councilor Wilde seconded the motion. Unanimous vote in favor.*

- g. **Referral to Planning Board – Proposed amendments to Zoning Ordinance to allow flexibility in Parking and Signage requirements – referral from the Planning & Development Committee – Councilor McPike reported on work done in P & D to allow waivers for parking spaces and to set standards for signage. Councilor McPike made a motion to refer the proposed amendments in Parking and Sign requirements to the Planning Board. Councilor McAvoy seconded the motion. Unanimous vote in favor.**

E. COMMITTEE REPORTS

Services Committee - Councilor Marble reported that the next meeting is February 13th at 6:00 p.m.

Finance & Administration Committee – Councilor Wilde reported that during the January 17th meeting, they reviewed and signed the warrants, reviewed the bond documents for the \$258,810 bond for overdue sewer costs, and discussed expenditures from reserves. They discussed setting the Goals and Objectives session for February 18th and to include all department heads.

Planning & Development – Councilor McPike reported that everything that has been discussed in committee has come through full Council. They have been discussing home occupations and the contract with Epstein Real Estate regarding the Business Park Lots

Infrastructure – Mayor Ryder reported that he sat in for Councilor Sirois at the last meeting at which they discussed the grant application for a culvert on Old County Rd near Sucker Brook. They discussed the cost of sewer line replacement at the Grist Mill Bridge, and discussed on-going sewer line needs for the future, including the meter pit. They discussed the Transfer Station decal process and policies and are making efforts to simplify the process, and discussed the use of the GPS's which will help to give information and to educate the Council on the costs of the Department of Public Works.

- F. MANAGER'S REPORT** – Manager Jennings reported that of the 7 Service Charges bills that were sent, payment has been received on 5 of them, with 2 of them having appealed the charges. The Tax Assessor and the Town Attorney are working on the appeals process and once the date is set, he will inform the Council. He reported that sewer customers now have the option to receive their bills by email. He informed the Council that the auditors will be here on February 7th and we hope to close out 2016. The first meeting of the Children's Day committee will be held on the 7th at 6:00 p.m. at the Skehan Center, Gene Wheldon is now the Chair of the Planning Board, and reminded the public that 2017 Transfer Station decals must be on vehicles now.

G. COUNCILORS' COMMENTS

Councilor Sirois – no comment

Councilor McPike – Stated that Representative Haggan plans on attending Council meetings. He stated that he attended for the first time, a basketball game for 4 year olds and he takes his hat off to all of the parent coaches.

Councilor Wilde – Stated that the new program at the Recreation Department called Pickle Ball has a huge following and recently there was a tournament with participants from all over. Susan Starbird has been instrumental in this and wanted to publicly thank her for all of her help with the tournament.

Councilor Marble – No comment

Councilor Cormier – No comment

Councilor McAvoy – Reminded residents to shop local and buy American and wished Hampden a good night.

Mayor Ryder – No comment

- H. **ADJOURNMENT** – *Councilor McAvoy made a motion to adjourn at 7:40 p.m. Councilor Marble seconded the motion. Unanimous vote in favor.*

Respectfully Submitted,



Paula A. Scott, CCM