

# MINUTES

Cumberland Town Council Meeting

Town Council Chambers

**MONDAY, July 8, 2019**

**5:00 P.M. Finance Committee Workshop re: Bond Review**

**5:30 P.M. Workshop with the Assessor re: Property Audit**

## **7:00 P.M. Call to Order**

Present: Councilors Copp, Edes, Gruber, Stiles, Storey-King, Turner and Vail

### **I. APPROVAL OF MINUTES**

Motion by Councilor Gruber, seconded by Councilor Stiles, to accept the June 17, 2019 meeting minutes as presented.

VOTE: 7-0 UNANIMOUS

### **II. MANAGER'S REPORT**

None

### **III. PUBLIC DISCUSSION**

None

### **IV. LEGISLATION AND POLICY**

## **19 – 088 To hear a report from the Assessor re: FY19 Property Audit.**

Tax Assessor, John Brushwein presented the following:

### CUMBERLAND PROPERTY INVENTORY UPDATE

E-MAIL – [propertyupdate@cumberlandmaine.com](mailto:propertyupdate@cumberlandmaine.com)

Phone: 558-9138

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### PROJECT INFORMATION

- Why was the Property Inventory necessary?
- What types of changes were made?
- What are the results of the changes?
- What notification will property owners receive?
- Can the Town retroactively tax for omitted additions/decks/outbuildings?
- Why were there so many discrepancies?
- What can I do if I disagree with the valuation of my property?

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## WHY THE PROPERTY INVENTORY WAS NECESSARY

- **EQUITY** – The goal of the assessment process is to assure that similarly situated properties with similar improvements are treated equally
- Not all Building Permits were reviewed
- Occupancy Permit inspections revealed data omissions/errors
- After-the-fact permits resulting from real estate sales/listings
- Taxpayer notifications

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## CHANGES THAT WERE MADE

- **Omissions** – decks, additions, outbuildings, patios, generators, finished basements, finished bonus rooms above garages
- **Errors** – Story height errors, dimensional errors, bathroom counts, bedroom counts, heating and cooling
- **Conversions** – Porches converted to living space, attached garages converted to living space
- **Condition** - major renovations, new siding, roofing, windows
- **Demolition** – outbuildings, swimming pools, decks

4

## RESULTS and NOTIFICATION

- Over 2300 properties experienced some value change (82%)
- 15% of the changes were negative amounts
- 73% of the changes were less than \$20,000 assessment increases
- 12% of the changes were over \$20,000 assessment increases
- Total Valuation change \$21,205,000 (1.5% of total taxable value \$1,380,000,000)
- Property Owners with an increase of more than \$20,000 will receive a notice in the mail informing them of the change in assessed value. The notice will indicate the 2018 assessed value and the 2019 assessed value along with other pertinent information.

5

## RETROACTIVE TAXATION

- State law prohibits supplemental taxation for errors in valuation so any change made as a result of the Inventory Update will only affect taxes going forward.
- Likewise, any property that experienced a decrease for an error in valuation cannot seek a refund for past years.

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## DISCREPANCY CAUSE

- The last full revaluation (measure/list) was in 2001 (Private Company)
- After that there was a full time assessor until 2004
- In 2004 the Town of Cumberland entered into an agreement with the Town of Yarmouth to share the assessing position.
- In 2012 the assessor took a full time position in another municipality, and the Town joined the Cumberland County Regional Assessing Office.
- A municipality having adequate staffing, can review 25% of the properties annually which will keep records accurate.

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## VALUATION APPEAL

- After the commitment of taxes (generally the 1<sup>st</sup> week in August), property owners have 185 days to file a formal abatement request with the assessor. (Deadline is typically beginning of February)
- Appeals must be made to the total value of the property, an appeal cannot be made on just the land or just the building portion of the assessment.
- The Law Courts have established that the burden of proof for sustaining an assessment appeal is on the taxpayer. The assessment is presumed valid.

8



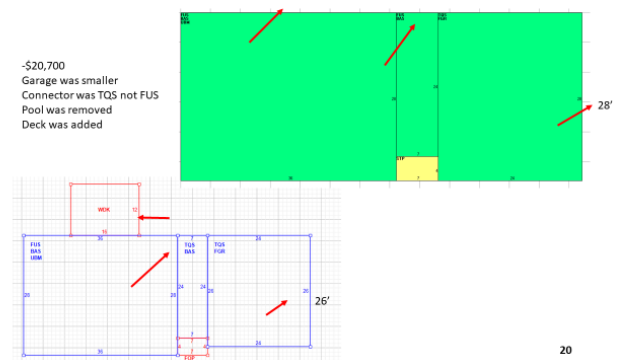
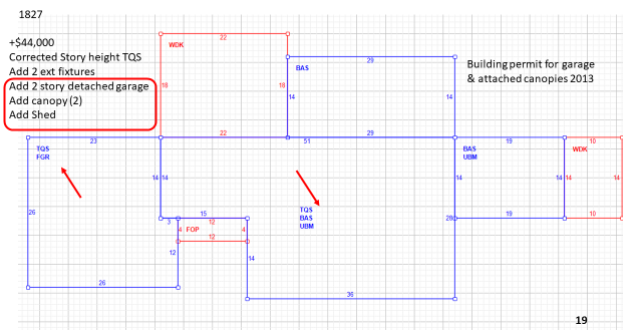
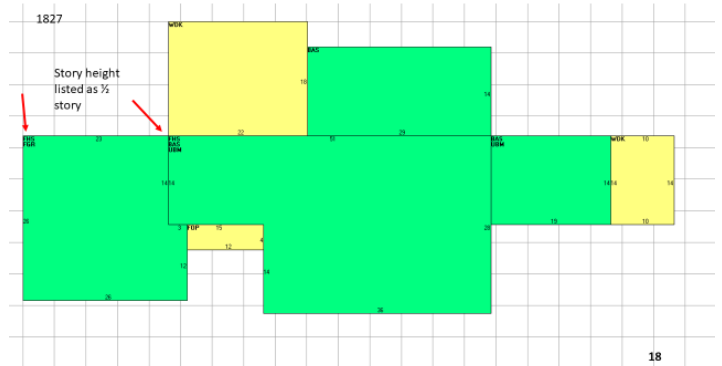
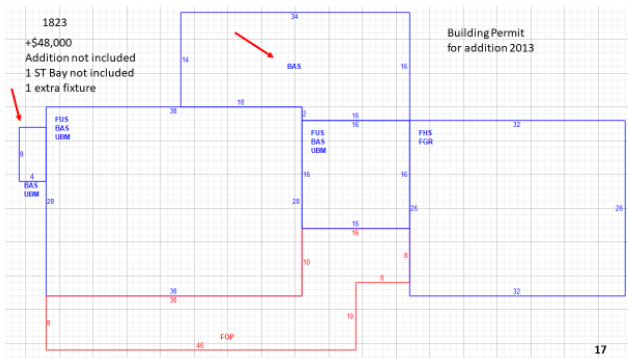
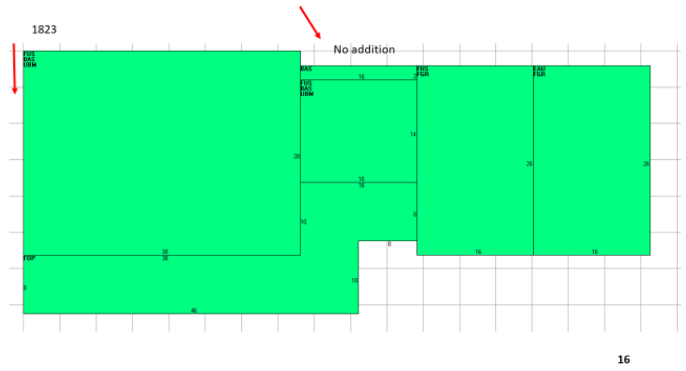
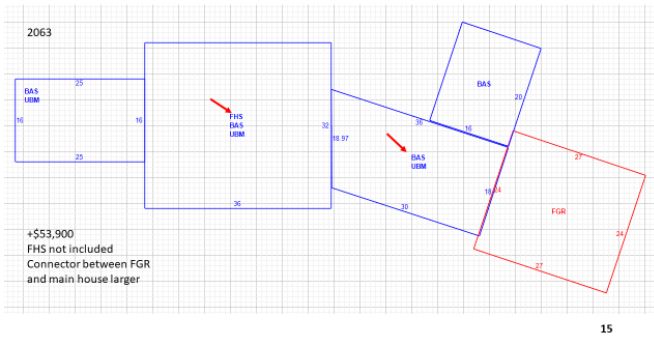
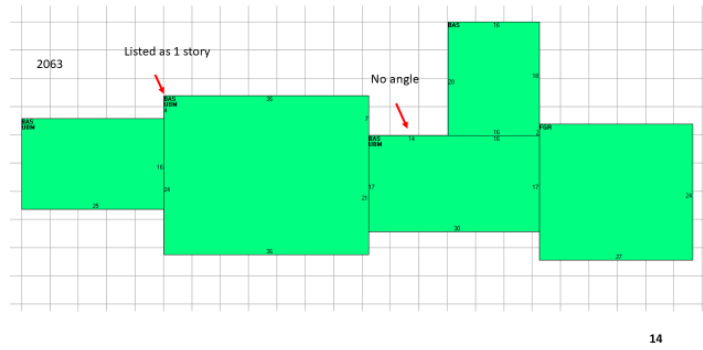
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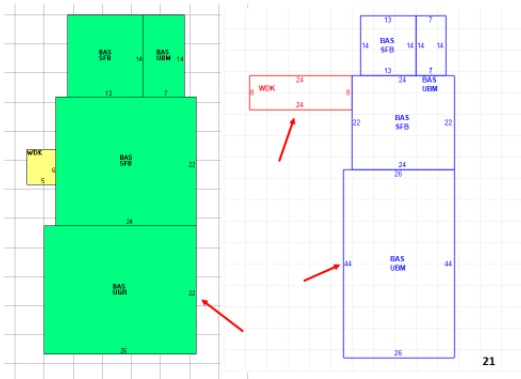
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This is an example of 2 homes in the same neighborhood with the same dormer that were assessed differently.





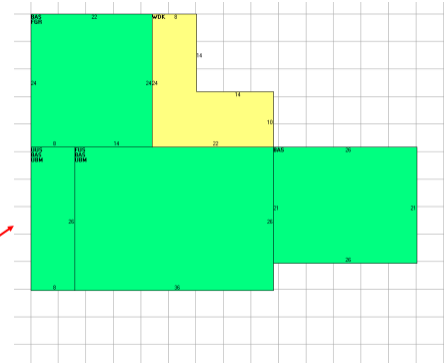
100133  
+\$35,000  
Main Dwelling  
missing 22'x26'  
Add deck



21

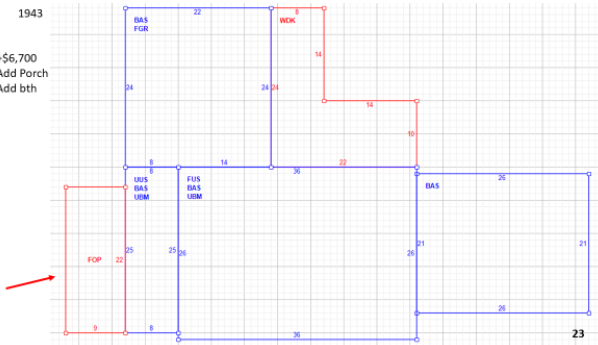
1943

No Porch



22

1943  
+\$6,700  
Add Porch  
Add bth

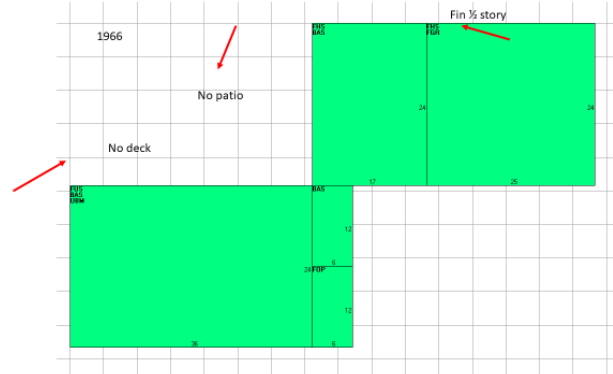


23

1966

No patio

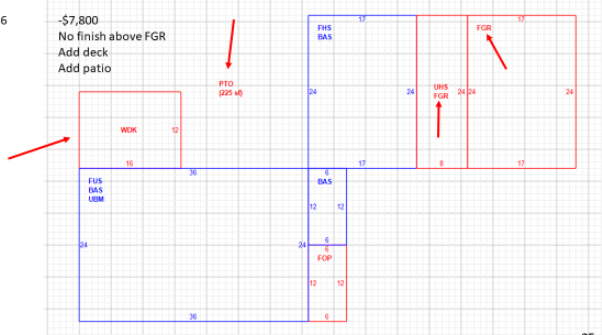
No deck



24

1966

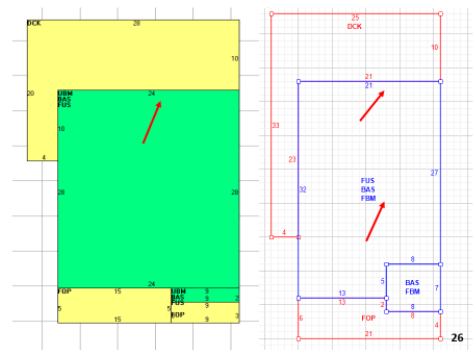
-\$7,800  
No finish above FGR  
Add deck  
Add patio



25

103124

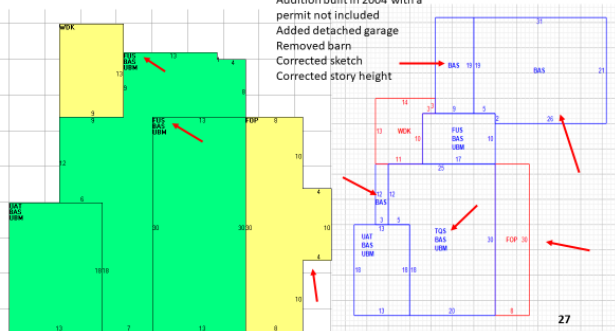
-\$4,000  
House is smaller  
Add finished basement  
Deck slightly larger



26

1532

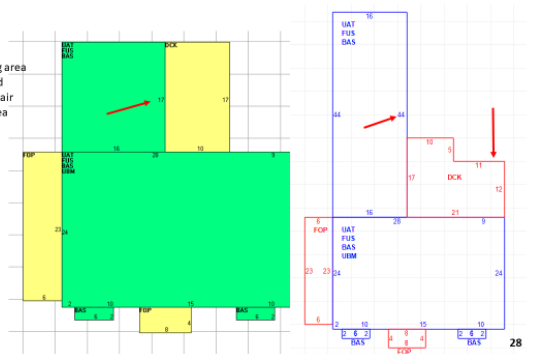
+\$52,300  
Addition built in 2004 with a  
permit not included  
Added detached garage  
Removed barn  
Corrected sketch  
Corrected story height



27

2647

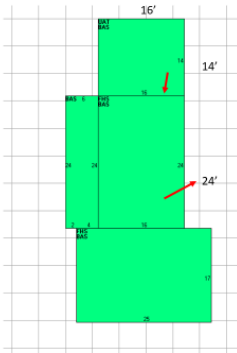
\$92,000  
864 SF living area  
not included  
Add central air  
Add DCK area



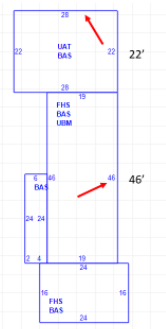
28

2634

+ \$77,000  
Correct living area +  
1100SF living area  
Add shed



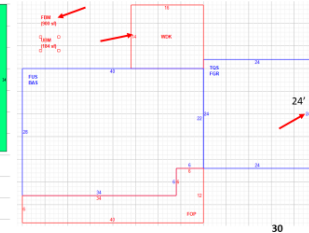
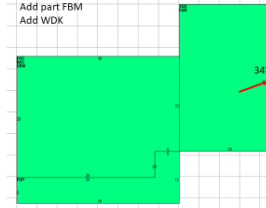
28'



29

100300

- \$4,500  
TOS/FGR 240 SF  
less than shown  
Add part FBM  
Add WDK  
Built 2001



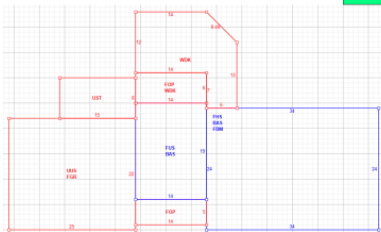
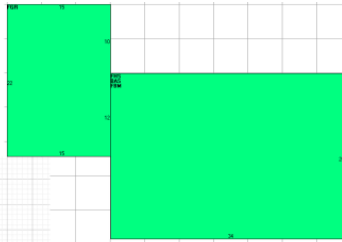
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TOWN OF CUMBERLAND ASSESSOR'S OFFICE  
290 TUTTLE ROAD  
CUMBERLAND, ME 04021

EMAIL – [propertyupdate@cumberlandmaine.com](mailto:propertyupdate@cumberlandmaine.com)  
Phone: 558-9138

3164

+ \$55,400  
Addition  
Add 2 story FGR  
Add Shed  
Add WDKs  
Add FOPs  
Building Permit  
2007



31

32

Tim Michalak of 31 Shady Run said that when building permits have been issued, it is not rocket science to follow up to make sure people are being taxed properly. When the Town has a revenue event, shouldn't someone be charged with reviewing it?

Town Manager Shane said that when we starting seeing inequities some properties, it was realized that something in our process was broken. We met with the Board of Assessment Review and the Town Council and came up with a plan to fix it, which the Assessor has spent the past year and a half doing.

**19 – 089 To hold a Public Hearing to consider and act on authorizing the Town Manager to execute a purchase and sale agreement for the sale of a portion of Twin Brook Recreation Area on Greely Road to Jeff Storey. TABLED**

Motion by Councilor Stiles, seconded by Councilor Edes, to table.

VOTE: 7-0 UNANIMOUS

**19 – 090 To hold a Public Hearing to authorize the issuance of up to \$7,000,000 in general obligation bonds for the purpose of financing improvements to Town facilities, including renovations to Town Hall and the Town garage, a new compost and brush area, and the purchase of a new ladder truck for the Fire Department. (Note: up to \$2,000,000 of said issuance may be allocated to construct a facility to be leased by the MSAD for its buses if the MSAD chooses to stay in Cumberland. If the MSAD moves to North Yarmouth, the bond amount will be reduced to \$5,000,000.)**

Town Manager Shane presented the following overview of each of the components in the proposed bond:

**The Council Chambers: \$150,000**

The Council Chambers has reached its capacity as our primary voting area. With this proposed expansion created by removing and replacing existing no-bearing walls with collapsible walls, which can be reconfigured to fit our needs, the Town Hall can continue to serve as our primary meeting and voting space. The Town Clerk has prospered a more detailed memo for your review, but the overview is as follows:

**Current Voters** 7,001 + booths needed 36 (200 per voter)

Room Square Footage for Voting = 1,190 SF

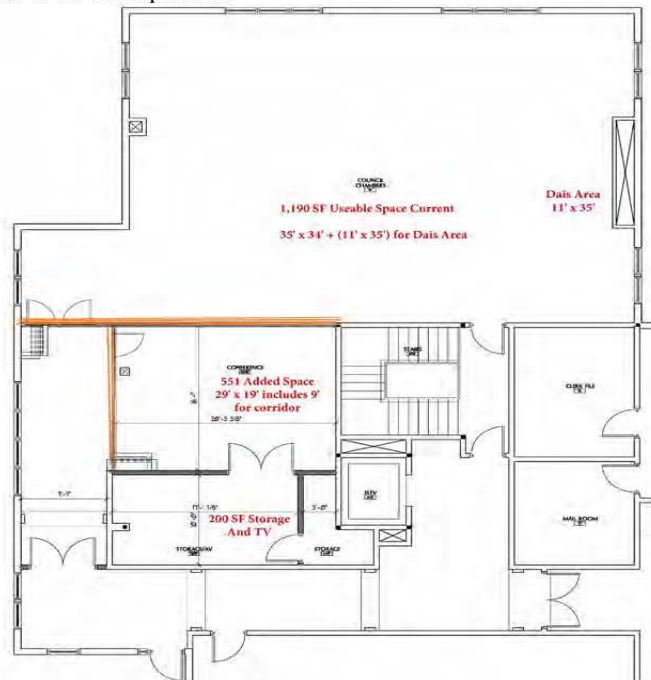
**Proposed Capacity** = 48 booths = 9,600 voters

Room Expanded by 551 SF or 32% increase

More Room for Voter Intake

More Room for Ballot Processing and Exiting

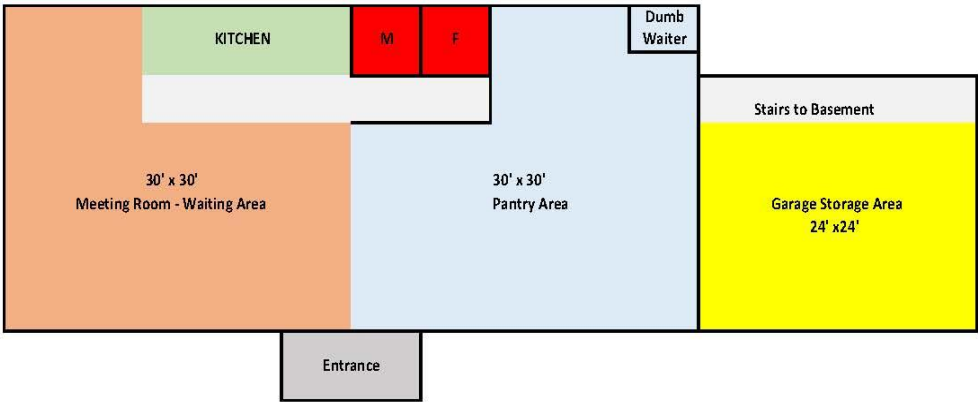
**Cost** \$150,000 or \$272 per foot



Food Pantry- Senior Meeting Space (\$150,000) – 60 car Parking lot \$190,000



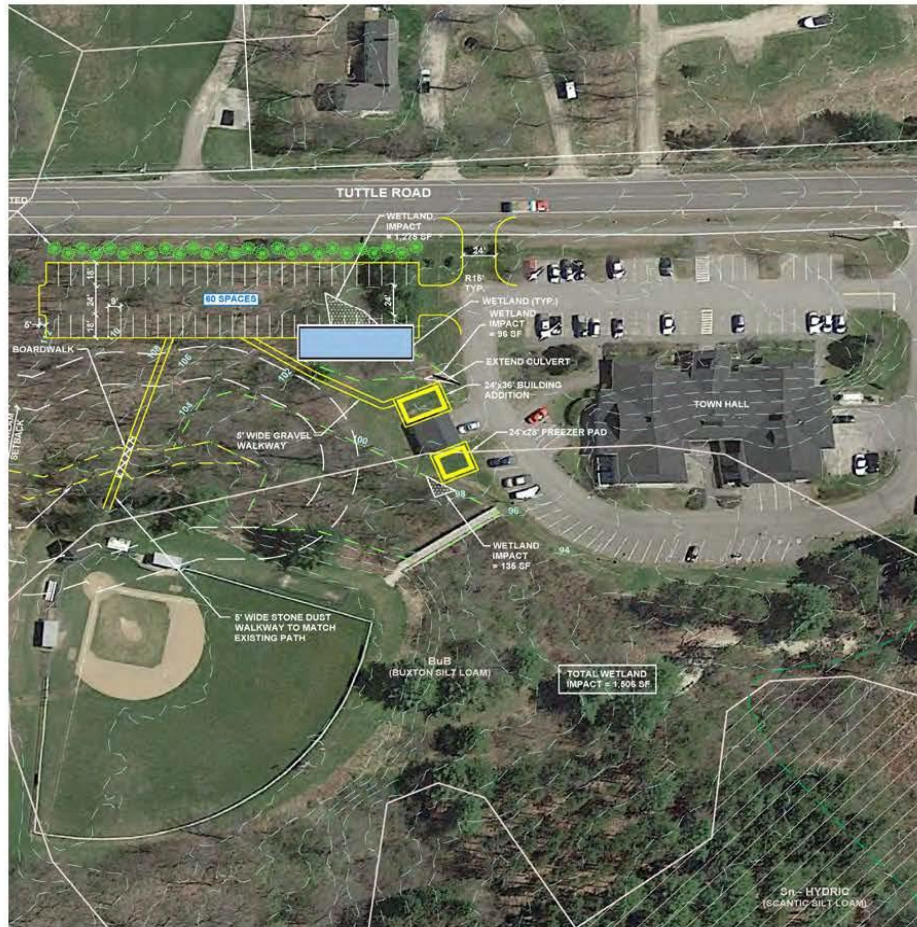
Similar style house (no steps) with garage on right side – to access daylight basement entrance



The Town Council chose not to include this in the bond. The Council supported the concept and approved the location (the shaded blue box on picture below), but asked that all funds be raised through a fundraising process, not the bond process.

The second piece of this item is the parking lot at expansion at Town Hall (see picture below). This would create a new entrance off Tuttle Road and add 60 spaces.





**Phase 1** would be the permitting and new parking area. The parking lot would be able to accommodate all Town Hall functions, Little League overflow, the Farmer's Market, the Food Pantry and senior meeting room area. The cost for the parking area would be \$190,000

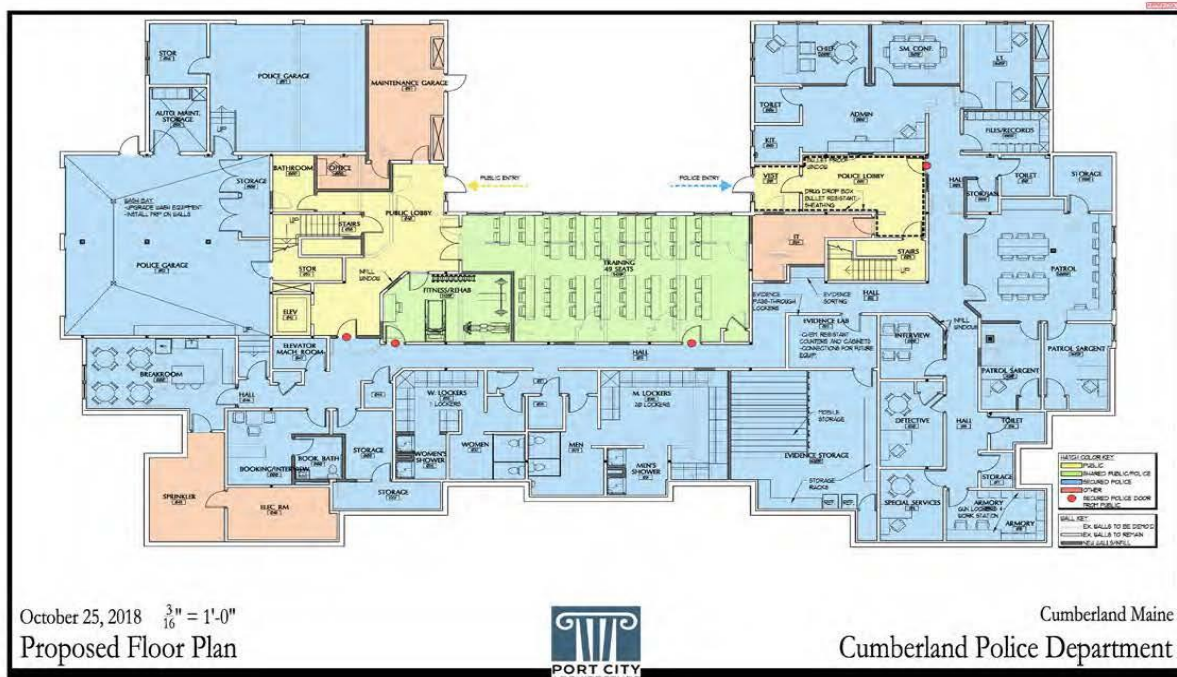
**Phase 2** would be the building of the Food Pantry / Senior Center. The 84' x 30' structure would be budgeted for \$150,000 and require additional fund raising and contributions from the Food Pantry to complete. I'd hope that we could make this a "community build" project where components are subcontracted, but residents could assist in the construction.



## Police Station Retrofit – Phase 1- Unknown at this Time

Any work to the Police Station requires the Food Pantry to vacate the existing garage bays. Port City Architects did a preliminary design report for us for budgeting purposes and estimated a \$1.6 million investment was needed. That design has not been reviewed or prioritized as of yet by the Town Council, and there are several policy questions which need occur around the department continuing to stay in Town Hall or moving into another building.

I have attached the report for our review and the Council may wish to take this on as part of its work plan for FY 2020 before any decisions are made related to reconfiguration of the space downstairs.



This Police Department renovation will not be part of the bond process, but rather part of the Capital Improvement Plan in the future. It is an important item to make the Council and the public aware that over the next year or so we can be talking about this.

### Sand Salt Building \$500,000



*110' x 60' Saco PW Salt / Sand Building – 600 CY of Salt Shown*

Our building would be about 20' wider. We estimate the building to be close to \$300,000 installed and the site work, fencing, paving to be close to \$200,000. With no land costs and some of the access road constructed as a part of our agreement with Storey Brothers, we have saved considerable dollars on this project. I anticipate this being ready for Planning Board by October with a potential late winter early spring construction schedule.

Trucks will be able to be loaded inside and dumped inside to better manage both and salt piles. The aprons in front of the building will be sloped to the inside to keep any potential run off inside the building.



Ladder Truck \$1.4 M – 25 year life expectancy



The Finance Committee vote 2-1 to move forward with the \$5M (for Town Only projects) which includes the Fire Truck.

Delaying the Purchase of the new Ladder

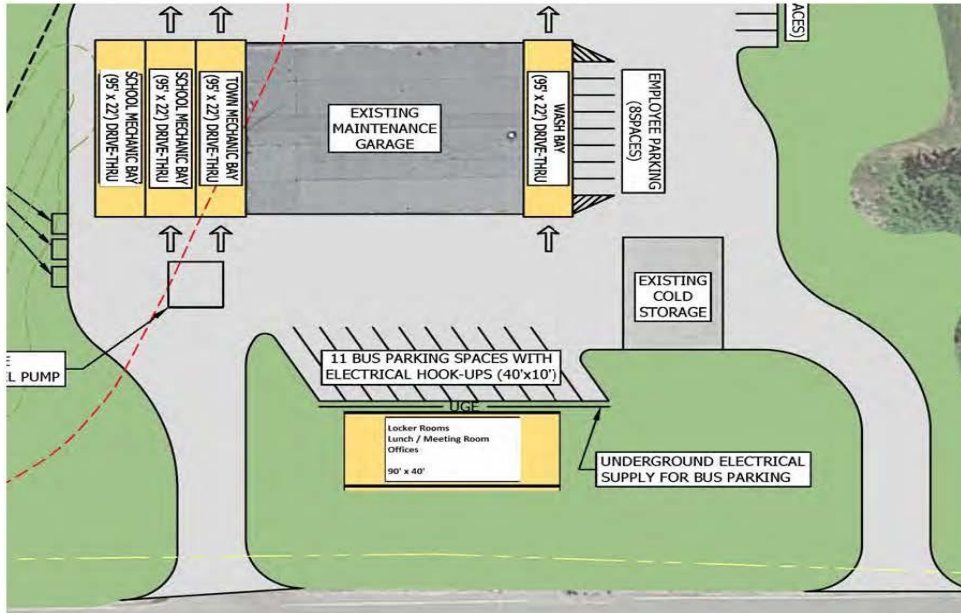
- \$50,000 to \$100,000 Repair cost
- Each one tenth of a percentage point in interest on bond is \$50,000
- Cost increase expected to be \$100,000 in the next 12 months
- Assume 4 year delay \$100,000 Repair + \$100,000 interest (2.7%) + \$200,000 \$Increase = **\$400,000**

Avoided Bond & Interest on \$ 1.4 M (28%) of \$5M Bond

$\$62,500 + \$371,875 + \$365,625 + \$359,375 = \$1,159,375 \times 28\% = \$324,625$



### Town Garage Additions \$2.75 M



<b>Town Garage</b>	<b>\$4,260,000</b>		
Wash Bay 92 x 22			\$800,000
3 Mechanic Bays	2,200	\$300/SF	\$1,980,000
Support Areas 90 x 40	3600 SF	\$300/ SF	\$1,080,000
Locker Room	1200 SF		
Lunch/ Meeting Room	1200 SF		
Offices	1200 SF		
Lot Restoration			\$400,000

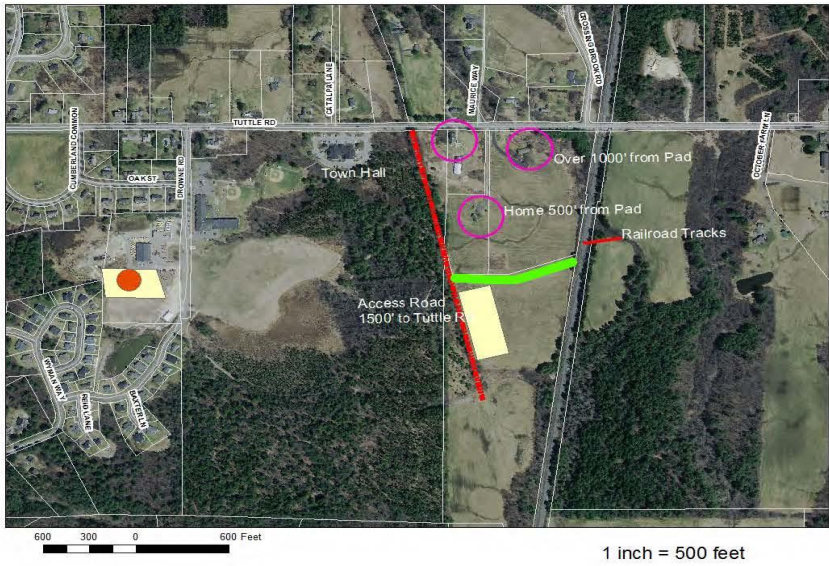
<b>Total Garage Area</b>	<b>\$4,260,000</b>
<b>Town</b>	<b>\$2,260,000</b>
<b>School</b>	<b>\$2,000,000</b>
	<b>\$4,260,000</b>

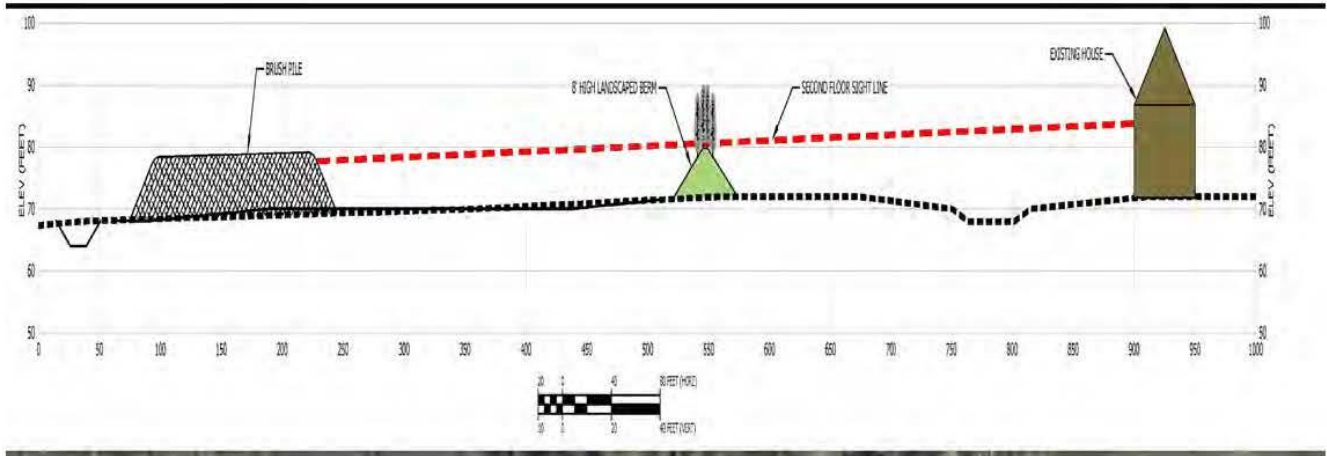
This project will convert the existing construction operation center into a maintenance complex. The restoration of the existing site will be planned with members of both neighborhoods and the Planning Board.

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Exact locations of buildings will require assistance from the MDEP. The Planning Board will be required to review the entire application once MDEP approvals are obtained. The building addition will include a drive through wash bay capable of undercarriage washing and power blasting of all the Town and School vehicles. 3 mechanics bays to optimize lifts, tools and manpower in the assistance of maintaining both fleets even though under separate employment. Locker rooms, lunch room and meeting room facilities will also be added. The plans are conceptual at this time. The plan would be to work with School and Town staff to develop the final concept plan than work to hire a Construction Manager to bring the project in at budget. The biggest decision that needs to be made on this project is whether the MSAD 51 bus facility stays in Cumberland or moves to North Yarmouth. The costs are identical and either choice has been supported by the Town Council in a previous vote of support for North Yarmouth. The project is designed to be expanded or collapsed based upon the MSAD 51 decision.

**Compost & Brush Pad \$275,000 + \$75,000 Berm + Access Road \$150,000**





*The Site line above (red dashed line) depicts the view from the second story window  
Of the current home located approximately 500' from the facility. The green mound in the center  
Of the diagram is a planted berm required by deed restriction.*

The brush and compost pad are being located on part of a 34 acre parcel of land the Town purchased for a Town Garage complex when it believed the current location would be sold for redevelopment. The land is suited for multiple uses and the Compost & Brush area is just one of the potential future uses. The location diagrams to date are conceptual. The challenge with the site is obviously the distance from Tuttle Road. At nearly 1,500', the location of the new site requires a road to allow for two way traffic. Utilities are not contemplated at this time, nor is paving.

Investment in costly utilities will only come as future demands for development on this property occur. This property is located in the Town's designated growth area and is close to natural gas, town water & sewer. The current access road will allow for future utilities.



## **How Do We Pay This?**

The Finance Committee has been looking at these projects for some time and have developed a Bond Reserve Fund to help lessen the impact of debt payments over time. Debt is added when other debt is retired and when other sources of funding such as TIF funds can be leveraged to make the project more budget neutral.

### **Basic Inputs**

We are a community with a property value of \$1.4 Billion. Everything we do is spread over that value to calculate tax rate and the annual property tax levy. Bonds with our credit rating have historically cost the Town of Cumberland \$80,000 for every million borrowed over a 20 year bond life cycle. So a 20 year Bond for \$7M would be 7 million X \$80,000 per million = \$560,000 per year.

\$560,000 divided by \$1.4 Billion divided multiplied by 1000 for mil rate impact (cost per thousand of value) =

$$\frac{\$560,000}{\$1,400,000,000} \times 1,000 = \$0.40 \text{ per thousand} \quad \$408,000 \text{ home} \times \$0.40 = \$163.36 \text{ per year}$$

A Lease Purchase with MSAD 51 would lower this cost by about \$00.12 per thousand as the \$160,000 per year from the MSAD would go to pay for their portion of the new garage (if they choose to stay here). With the MSAD, about 71% of the cost of everything is paid for by the Town of Cumberland and 29% by the Town of North Yarmouth.

Then how debt is ramped up to lessen the impact and how best to use Debt Reserve funds is looked at and discussed each year during Finance Committee meetings and annual budget deliberations.

This was the impact over the next several budget cycles:

FY	CURRENT DEBT	PROJECTED ADDTL	Total GF Projection	Add (Use) Debt Svc Rsrv	Projection w DSR	GF Budget Impact		
	Current GF	\$5M Bond						
FY19	\$1,044,850		\$1,044,850	(\$75,826)	\$969,024			
FY20	\$1,074,324	\$62,500	\$1,136,824	(\$141,824)	\$995,000	\$25,976		
FY21	\$1,140,894	\$371,875	\$1,512,769	(\$417,769)	\$1,095,000	\$100,000	\$0.08	FY21
FY22	\$1,167,874	\$365,625	\$1,533,499	(\$363,499)	\$1,170,000	\$75,000	\$0.06	FY22
FY23	\$1,153,049	\$359,375	\$1,512,424	(\$267,424)	\$1,245,000	\$75,000	\$0.06	FY23
FY24	\$968,857	\$353,125	\$1,321,982	(\$1,982)	\$1,320,000	\$75,000	\$0.06	FY24
FY25	\$915,166	\$346,875	\$1,262,041	\$132,959	\$1,395,000	\$75,000	\$0.06	FY25
FY26	\$889,880	\$340,625	\$1,230,505	\$209,495	\$1,440,000	\$45,000	\$0.03	FY26
FY27	\$857,867	\$334,375	\$1,192,242	\$292,758	\$1,440,000	\$0		
FY28	\$842,222	\$328,125	\$1,170,347		\$1,170,347		\$0.26	
FY29	\$796,932	\$321,875	\$1,118,807		\$1,118,807			
FY30	\$781,931	\$315,625	\$1,097,556		\$1,097,556			

Since the lease purchase would be applied to the \$2 million of school buildings, the cost and impact was factored on a \$5M bond versus a \$7 million dollar bond to show actual tax impact. Obviously the extra \$00.12 has to be paid somehow and using the 71% & 29% split we would ultimately see about \$00.085 reflected as an increase in our annual school assessment for education.

Tax bills in September 2020 (FY 21) will realize a tax increase for this bond issuance of approximately \$8 for every \$100,000 thousand home value - \$408,000 or \$32.64 for the average valued home.

Since the Finance Committee looks at this fund at the end of every fiscal years and tries to add money to further lessen future impacts, the actual impact will most like be much less. Being very conservative, if no monies were added to this reserve fund, the full impact of the bond would be \$114.24 per year. Each year however we have added more value and as more value is added the impact to all taxpayers is lessened.

Chairman Storey-King opened the Public Hearing.

Public discussion: Hall Thompson of 240 Greely Road said that he would like to see a simple, one page spreadsheet available on the Town website with the details of the bond.

Lou Gallaudet of Range Road urged the Town Council to find ways to save money and not spend it. She emphasized that we are a very small town and this idea that we need so many things seems incorrect to her. Over the last decade, we have had numerous large items such as, school additions, a new fire station, public lands, and she thinks that all of these things have been wonderful additions, but she questions the idea that we need more voting space, more police space, and a new building for our food pantry. The food pantry is a great thing for our community, but it is funded privately. If the Town takes on debt service that includes a building for it, then residents of our Town are going to be paying for it. She was delighted to hear that the Town Council decided that the new food pantry building should be privately funded. She does not feel that we need more meeting space for seniors. We have meeting space at the new performing arts center, the new fire station and the library. We need to find ways as a small town to use and reuse what we have.

Bob Knupp of Hawkes Ridge asked what process was used by the Council and Town Manager to obtain competitive bids for the fire truck.

Town Manager Shane responded that the Town Council put together a small committee of Fire Department members to look at all the vendors and the trucks that would be available to us. That committee came back in February with a recommendation of the truck to be purchased. This has historically been the process that the Town has used.

Mr. Knupp said that maybe some consideration ought to be given to what is available for good, sturdy fire trucks. He read that Portland's Munjoy Hill fire station will be closing their facility and they may have a ladder truck to sell. Maybe we should think outside the box. Mr. Knupp asked if the school will pay for their portion of utilities and insurance at a shared facility and what the professional costs are related to a \$7,000,000 bond.

Town Manager Shane said that the school has already partnered with us at the Town garage. They will and have been sharing utility costs and insurance costs. There has been no issue with collaboration between Town staff and school staff. The costs related to the bond will be approximately \$30,000 for bonding agent fees.

Steve Moriarty of 12 Oak Street asked if the Farmer's Club was asked to accommodate only the composting operations and what was their response?

Town Manager Shane said that the development costs were getting to be very expensive and the Farmer's Club wanted to lease us the property, which was a deal breaker for the Town.

John Leavitt said that he appreciates the work that the Town has done in looking for a new location for Public Works operations, but is also disappointed that we have not been able to find a reasonable location for a new facility. He wishes that there was some way that we could further develop the Tuttle Road site and relocate the entire operation there.

Ken Leeman of 3 Tacoma Lane said that he is concerned with the conceptual plan for the Public Works garage and the busses being parked in the front on Drowne Road. He suggested moving the bus parking to the back. When the school was open, idling was not allowed in front of the school due to concerns about the exhaust fumes. There are people in the senior housing facility who can smell the fumes and putting the busses in front will only exacerbate that situation. He also suggested a better berm to block the view for the Village Green neighborhood.



Kimberly Couch of 78 Wyman Way asked if the closing of the brush dump by December 1<sup>st</sup> was still the deadline even if the bond does not approved.

Chairman Storey-King explained that we have contingencies in place to make sure that it is moved and the current location will be closed by December 1<sup>st</sup>.

Shawn McBreairty of 1 Willow Lane and president of the snowmobile club said that the club has a clubhouse behind the Public Works garage and he hopes that they can be part of the process if the clubhouse is affected by the redevelopment of the Public Works facility.

Tim Michalak of 31 Shady Run Lane said that he is in favor of a new fire truck and he believes that the Public Works employees need a better space, but in regard to the food pantry, he does not support adding rooftops and pavement. We have enough meeting space and there seems to be a lot of overlap with surrounding towns all having food pantries. We should try to be more regional.

Beth Waldman of Wyman Way asked what would happen if DEP doesn't approve some part of the Public Works facility conceptual plan because of the methane. If we have bond approval for 7 million dollars and something happens with the conceptual plan, what happens?

Town Manager Shane said that DEP has been all over the site, and we will be working very closely with them. The next three months will be critical in telling us where we can and cannot place buildings. The final vote to approve the bond, for up to 7 million happens tonight, but the exact bond amount will be reported back to the Council in November. By then, we will know exactly where the buildings can be located, the size of the buildings and an exact cost. The bond will likely be closer to 6 million dollars by November.

Shannon Walton of Winterberry Court asked how long the lease agreement would be for the busses.

Town Manager Shane said that the lease agreement would be for a minimum of 20 years, which is the length of the bond.

Cathy Wright of Skillin Road said that we have been kicking this can down the road for a long time. If we had stuck to our original plan of relocating the entire facility to Tuttle Road, near the railroad tracks, we wouldn't be facing this. She thinks that the entire operation should be relocated to Tuttle Road. We should also think about a train depot there with a parking lot for ride sharing in the future.

Comment received by email from Teri Maloney-Kelly of Maloney's Ridge Way:

*I'm writing to request that all projects being presented in the proposed \$7,000,000 bond be closely looked at in the interest of keeping the tax implications as low as possible. I am unable to attend tonight as I have to work. However I felt it important to weigh in on the various proposed expenditures given the financial impact to me and the other taxpayers in Town.*

*Ladder truck: I learned 20 years ago any opposition to this type of expenditure is nothing but background noise to the Council.*

*Public works facilities: This line item appears very high. I see no reason for Cumberland to be duplicating the same equipment/space/activities for those operations also being done or available in North Yarmouth.*

*Salt/compost facilities: Now that Village Green got their way and the Town has agreed to move these items, there is not much anyone could say that would make any difference.*

*Senior center/food pantry: As a citizen who has been an active volunteer for both of these activities since their inception this one is the hardest line item for me to buy into. As an AIP volunteer we do not have enough participation at any of our ongoing activities to warrant a dedicated space. We have partnered with our community organizations for our activities and I feel this has worked well. It appears to me the real issue is the pantry and the space it occupies. If we need to move the pantry it should not be put on the backs of the Cumberland taxpayers. We serve 3 other towns in addition to Cumberland. It is my opinion these other towns should be involved in what happens and any financial impact it requires. This line items hits our citizens who can least take it on. Ultimately our pantry patrons will be paying more for the service they get. After all they are taxpayers or renters who get the trickle down from increasing our taxes.*

*Town Hall: Building out more space for a few activities that happen throughout the year seems ridiculous to me. Folks have the option to avoid a line on Election Day by absentee voting. Kind of like the Maine Turnpike. If you choose to travel south on Sunday afternoon in the summer you can expect delays. For those Town Council meetings in which a large turnout is anticipated why aren't we using the Performance Arts space or available space at our schools? As far as providing more comfortable accommodations for the police to do their paperwork I suspect there is ample space at the new fire station they could access. After all they are all part of the same department of Public Safety and tend to both go to many of the same service calls. So they are working together daily. Only seems logical to me.*

*So as you can see I find the requested \$7,000,000 is inflated. I ask that you too look fairly at each request and do the right thing especially in the interest of middle and lower class citizens already struggling to remain in the Town they have lived in for decades.*

Chairman Storey-King closed the Public Hearing.

Councilor Vail said that he would support a bond that would be limited to relocation of the sand/salt shed on Middle Road and the compost pad to Tuttle Road. He would be interested in more discussion on the Town Garage, but right now, he would support the bond for only those 2 pieces.

Councilor Gruber said that he wanted to clarify that in order for the Food Pantry to receive support from Good Shepard Food Bank, we had to assume certain communities in which to serve. He will support the entire bond.

Councilor Edes said that he supports certain parts of the bond, but he feels that the purchase of a fire truck can be delayed. If we are able to knock the bond amount down to 6 million, why can't we finance the railroad quiet zones and get that issue behind us? He supports the Public Works and Town Hall items, but those are not enough for him to vote in favor of this.

Councilor Stiles said that he supports the entire bond package, but with fine tuning the numbers that go with each item. We keep hearing comments about working with other towns. We have tried and tried and we cannot get anyone to agree to work with us. We have to do something. He hopes that a developer will come along and build an assisted living facility on the Tuttle Road site. This is something that is needed, as well as affordable housing. He cannot understand why we have to reserve 2 million dollars in a bond for the school and North Yarmouth to make up their minds on the busses.

Councilor Copp said that he supports this bond with the participation of the school.

Councilor Turner said that he also supports the bond. It has been a foregone conclusion that the Town Garage, the brush dump and the sand/salt shed would not all stay together. The only site that they could have all gone on and that made some sense was the Skillin Road site. The land that the Town Garage sits on now has gone valueless and we don't have any other alternatives. He feels that the bond will be considerably less and he also hopes that we will be able to deal with the railroad quiet zone issue.

Chairman Storey-King said that she will also be supporting the bond and also hopes to address the railroad issues. Privatization and collaboration efforts are made even more challenging by the workforce shortage.

Motion by Councilor Gruber, seconded by Councilor Turner, to adopt the Cumberland Town Council Order Authorizing the Issuance of General Obligation Bonds and Notes not to exceed \$7,000,000 in its entirety by reference thereto, which Order is incorporated in full into the minutes of this meeting (below).

VOTE: 5-2 (Edes and Vail opposed)                      MOTION PASSES

**CUMBERLAND TOWN COUNCIL ORDER  
AUTHORIZING THE ISSUANCE OF  
GENERAL OBLIGATION BONDS AND NOTES**

**WHEREAS**, the Town desires to issue its general obligation bonds in an aggregate principal amount not to exceed \$7,000,000 and to appropriate the proceeds thereof to finance the Project described in this Order;

**NOW, THEREFORE**, be it voted, resolved, and ordered by the Town Council of the Town of Cumberland, Maine:

**Section 1: Appropriation.** The sum of up to \$7,000,000 is hereby appropriated, from the proceeds of the Bonds and Notes herein authorized, to finance costs of the following: 1.) \$1,400,000 for a new ladder truck for the Cumberland Fire Department; 2.) \$5,150,000 for improvements to the Public Works facility located at Drowne Road including a wash bay, locker rooms, a lunch room, sand and salt storage, compost and brush pad, mechanic's bays, and restoration of the lot; 3.) \$150,000 for the construction of a senior center and food pantry at 290 Tuttle Road 4.) \$150,000 for improvements to Town Hall related to the conduct of elections; and 5.) Renovations to Town Hall for the Police Department, and which Bonds and Notes may also finance costs of issuance of the Bonds and Notes and capitalized interest of up to three years on the Bonds and Notes (the "Project").

**Section 2: Authorization of Bonds.** For the purposes of financing the aforesaid appropriation, pursuant to the Town Charter and all other authority thereto enabling, there is hereby authorized and approved the issuance of the general obligation bonds (the "Bonds") of the Town in an aggregate principal amount not to exceed \$7,000,000. The Bonds shall be designated "Town of Cumberland, Maine, 2019 General Obligation Bonds." The proceeds of the Bonds and any Notes in anticipation thereof shall be used to finance the costs of the Project.

**Section 3: Authorization of Notes.** The Treasurer is authorized to borrow money in anticipation of said Bonds by the issuance and sale of notes or renewal notes in anticipation thereof (the "Notes"). Any notes issued in anticipation of the Bonds shall be designated "Town of Cumberland 2019 General Obligation Bond Anticipation Notes."

**Section 4: Interest Rates and Details.** The Treasurer is authorized to determine the date(s), form(s), interest rate(s) (which interest rate may be a fixed rate or a variable rate or some combination of the two), maturities and all other details of each issue of the Bonds and the Notes, including the form and manner of their sale and award. The Bonds and any Notes shall mature at the times and shall be in the amounts, and be dated as of such date, bear interest at the rate or rates and be in such form and contain such terms and provisions (including but not limited to early redemption provisions, if any) as the Treasurer may hereafter determine or authorize.



**Section 5: Redemption; Execution.** The Treasurer is authorized to provide that any of the Bonds and Notes be made callable, with or without premium, prior to their maturity, and each Bond or Note issued hereunder shall be signed by the Treasurer, shall be countersigned by the Chair of the Town Council, and shall be sealed with the seal of the Town, attested to by its Clerk.

**Section 6: Financial Advisor; Underwriter.** The Treasurer is authorized to select a municipal advisor and/or an underwriter for the Bonds and Notes, and the Treasurer of the Town is authorized and empowered to execute and deliver such contracts or agreements as may be necessary or appropriate in connection therewith.

**Section 7: Official Statement.** The Treasurer is authorized to prepare, or cause to be prepared, a Notice of Sale and/or a Preliminary Official Statement and an Official Statement for use in the offering and sale of the Bonds and/or Notes, such Notice of Sale, Preliminary Official Statement and Official Statement to be in such form and contain such information as may be approved by the Treasurer, with the advice of the bond counsel for the Town, and that the distribution of the Notice of Sale and/or Preliminary Official Statement and the Official Statement in the name of and on behalf of the Town in connection with offering the Bonds and/or Notes be and hereby is approved.

**Section 8: Transfer Agent.** The Treasurer is authorized to select the registrar, paying agent and transfer agent (the "Transfer Agent") for the Bonds and Notes and to execute and deliver such contracts and agreements as may be necessary or appropriate to secure their services.

**Section 9: Registration.** The Bonds and Notes shall be transferable only on registration books of the Town kept by the transfer agent, and said principal amount of the Bonds or Notes of the same maturity (but not of other maturity) in the denomination of \$5,000 or any multiple thereof (or such other minimum denomination as the Treasurer shall establish) upon surrender thereof at the principal office of the transfer agent, with a written instrument of transfer satisfactory to the transfer agent duly executed by the registered owner or his attorney duly authorized in writing. Upon each exchange or transfer of a Bond or Note the Town and the Transfer Agent shall make a charge sufficient to cover any tax, fee or any other governmental charge required to be payable with respect to such exchange or transfer, and with respect to such exchange or transfer, and subsequent to the first exchange or transfer, the cost of preparing new Bonds or Notes upon exchanges or transfer thereof to be paid by the person requesting the same.

**Section 10: Book Entry.** The Treasurer is authorized to undertake all acts necessary to provide, if deemed necessary or appropriate by the Treasurer in his discretion, for the issuance and transfer of such Bonds and Notes in book-entry form pursuant to the Depository Trust Company Book-Entry Only System, as an alternative to the provisions of the foregoing Order above regarding physical transfer of Bonds and Notes, and the Treasurer is authorized and empowered to enter into a Letter of Representation or any other contract, agreement or understanding necessary or, in his opinion, appropriate in order to qualify the Bonds or Notes for and participate in the Depository Trust Company Book-Entry Only System.

**Section 11: Exchanges and Transfers.** The Treasurer and Chair of the Town Council from time to time shall execute such Bonds or Notes as may be required to provide for exchanges or transfers of Bonds or Notes as heretofore authorized, all such Bonds or Notes to be executed as above described, and in case any officer of the Town whose signature appears on any Bond or Note shall cease to be such officer before the delivery of said Bond or Note, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery thereof.

**Section 12: Tax-Exempt Bond Covenants.** The Treasurer is authorized to covenant and certify on behalf of the Town that no part of the proceeds of the issue and sale of the Notes or the Bonds authorized to be issued

hereunder shall be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause such Notes or Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and that no part of the proceeds of the issue and sale of such Notes or Bonds (including any notes and bonds in renewal thereof) shall be used, directly or indirectly, in such manner which would cause the Notes or Bonds to be "private activity bonds" within the meaning of Section 141 of the Code.

To the extent permitted under the Code, the Treasurer is authorized to designate any of the Bonds or Notes authorized to be issued hereunder as qualified obligations for purposes of Section 265(b) of the Code.

The Treasurer is authorized to covenant and agree, on behalf of the Town, for the benefit of the holders of the Bonds and Notes, that the Town will file any required reports and take any other action that may be necessary to ensure that interest on the Bonds and Notes will remain exempt from federal income taxation, and that the Town will refrain from any action that would cause interest on the Bonds or Notes to be subject to federal income taxation.

**Section 13: Continuing Disclosure.** The Treasurer is authorized to covenant, certify and agree, on behalf of the Town, for the benefit of the holders of the Notes or Bonds, that the Town will file any required reports, make any annual financial or material event disclosure, and take any other action that may be necessary to insure that the disclosure requirements imposed by Rule 15c2-12 of the Securities and Exchange Commission, if applicable, are met.

**Section 14: Town Officials.** If any of the officers or officials of the Town who have signed or sealed the Bonds or Notes shall cease to be such officers or officials before the Bonds or Notes so signed and sealed shall have been actually authenticated or delivered by the Town, such Bonds or Notes nevertheless may be authenticated, issued, and delivered with the same force and effect as though the person or persons who signed or sealed such Bonds or Notes had not ceased to be such officer or official; and also any such Bonds or Notes may be signed and sealed on behalf of the Town by those persons who, at the actual date of the execution of such Bonds or Notes, shall be the proper officers and officials of the Town, although at the nominal date of such Bonds or Notes any such person shall not have been such officer or official.

**Section 15: Deputy Officials.** If the Treasurer, Chair of the Town Council or Clerk are for any reason unavailable to approve and execute the Bonds or Notes or any of the related financing documents, the person or persons then acting in any such capacity, whether as an assistant, a deputy, or otherwise, is authorized to act for such official with the same force and effect as if such official had herself performed such act.

**Section 16: Other Actions.** The Treasurer, Chair of the Town Council, Clerk and other appropriate officers of the Town are hereby authorized and empowered to do all such acts and things, and to execute, deliver, file, approve, and record all such financing documents, contracts, deeds, assignments, certificates, memoranda, abstracts, and other documents as may be necessary or advisable, with the advice of counsel for the Town, including but not limited to any certificates, bond insurance agreements, notices of sale and other documents as may be necessary or appropriate in connection with the sale of the Bonds and Notes and any letter of credit agreement or liquidity facility agreement necessary to the issuance of any Bonds or Notes, to carry out the provisions of the resolutions heretofore adopted at this meeting in connection with the Project, the execution, sale, and delivery by the Town of the Bonds and Notes and the execution and delivery of any related financing documents.

**Section 17: Costs; Reallocation.** The term "cost" or "costs" as used herein and applied to the Project, or any portion thereof, includes, but is not limited to (1) the purchase price or acquisition cost of all or any portion of the Project; (2) the cost of construction, building, alteration, enlargement, reconstruction, renovation, improvement, and equipping of the Project; (3) the cost of all appurtenances and other facilities either on, above, or under the ground which are used or usable in connection with the Project; (4) the cost of landscaping, site preparation and remodeling of any improvements or facilities; (5) the cost of all labor, materials, building systems, machinery and

equipment; (6) the cost of land, structures, real property interests, rights, easements, and franchises acquired in connection with the Project; (7) the cost of all utility extensions and site improvements and development; (8) the cost of planning, developing, preparation of specifications, surveys, engineering, feasibility studies, legal and other professional services associated with the Project; (9) the cost of environmental studies and assessments; (10) the cost of financing charges and issuance costs, including premiums for insurance, interest prior to and during construction and for a period not to exceed three (3) years from the issue date of the Bonds or Notes, underwriters' fees and costs, legal and accounting fees and costs, application fees, and other fees and expenses relating to the financing transaction; and (11) the cost of all other financing authorized hereunder, whether related or unrelated to the foregoing. In the event that any proceeds of the Bonds or Notes remain unspent upon completion of a Project, or if the Town abandons a Project, the Town reserves the right to reallocate unspent proceeds to the costs of other qualified projects approved, or to be approved, by the Town Council, or to apply unspent proceeds to the payment of debt service on the Bonds or the Notes.

**Section 18: Tax Levy.** In each of the years during which any of the Bonds or Notes issued hereunder are outstanding, there shall be levied a tax in an amount which, with other revenues, if any, available for that purpose, shall be sufficient to pay the interest on said Bonds or Notes, payable in such year, and the principal of such Bonds or Notes maturing in such year (except in the case of Notes to be refunded in that year by the issuance of Bonds).

**Section 19: Consolidation.** Any or all of the Bonds or Notes issued hereunder may be consolidated with and become a part of any other issue of temporary notes or general obligation bonds authorized to be issued by any previous or subsequent Order of the Town Council of the Town of Cumberland.

**Section 20: Investment Earnings; Premium.** The investment earnings on the proceeds of the Bonds and Notes, if any, and the excess proceeds (including any premium on the sale) of the Bonds and Notes, if any, be and hereby are appropriated for the following purposes, such proceeds to be held and applied in the following order of priority: (a) to any costs of the Project in excess of the principal amount of the Bonds or Notes; and (b) in accordance with applicable terms and provisions of the Arbitrage and the Use of Proceeds Certificate delivered in connection with the sale of the Bonds or Notes.

**Section 21: Reimbursement.** It is the intent of the Town Council that this Bond Order shall constitute the Town's declaration of official intent within the meaning of Treasury Regulation 1.150-2 to pay, on an interim basis, costs of the Project in an amount up to the principal amount of the Bonds to be issued, which costs the Town reasonably expects to reimburse with proceeds of the Bonds or Notes.

**19 – 091 To hold a Public Hearing to authorize the Town Manager to execute a Tax Anticipation Note with Bath Savings Institution at a rate of 2.14%.**

Town Manager Shane said that a Tax Anticipation Note has not been needed for approximately 6 years, but unfortunately we find ourselves in a cash flow situation, making us short for our school payment this year.

Chairman Storey-King opened the Public Hearing.

Public discussion: none

Motion by Councilor Copp, seconded by Councilor Edes, to authorize the Town Manager to execute a Tax Anticipation Note with Bath Savings Institution in the amount of \$2,000,000.00 at a rate of 2.14%.

VOTE: 7-0 UNANIMOUS

**19 – 092 To authorize the Town Manager to use funds from the sale of the Twin Brook property on Greely Road, TIF funds where applicable, and bond funds to construct and permit the brush and compost pad next to the Town Forest.**

Town Manager Shane said that at our last Town Council meeting, the Council approved the site as an alternative option, but we did not designate where the funding would come from for that project. This is the contingency plan should something happen with the bond.

Chairman Storey-King asked for any public comment on this item.

Public comment: John Leavitt said that he assumed that since item 19-089 was tabled, this item would be tabled.

If the sale doesn't go through to Mr. Storey, will the Town sell that property to someone else?

Town Manager Shane responded that the tabling of approving the execution of the purchase and sale agreement was only due to the document not being ready in time for this meeting due attorney's being on vacation. Everyone involved is in favor of this, including the Council.

Motion by Councilor Stiles, seconded by Councilor Gruber, to authorize the Town Manager to use funds from the sale of the Twin Brook property on Greely Road, TIF funds where applicable, and bond funds to construct and permit the brush and compost pad next to the Town Forest.

VOTE: 7-0 UNANIMOUS

**19 – 093 To set a Public Hearing date of July 22<sup>nd</sup> to set the FY2020 tax rate.**

Chairman Storey-King asked for any public comment on this item.

Public comment: none

Motion by Councilor Edes, seconded by Councilor Copp, to set a Public Hearing date of July 22<sup>nd</sup> to set the FY2020 tax rate.

VOTE: 7-0 UNANIMOUS

**19 – 094 To set a Public Hearing date of July 22<sup>nd</sup> to set rates at which interest will be paid for delinquent taxes and to authorize applying tax payments to the oldest unpaid taxes.**

Chairman Storey-King asked for any public comment on this item.

Public comment: none

Motion by Councilor Stiles, seconded by Councilor Copp, to set a Public Hearing date of July 22<sup>nd</sup> to set rates at which interest will be paid for delinquent taxes and to authorize applying tax payments to the oldest unpaid taxes.

VOTE: 7-0 UNANIMOUS

**19 – 095 To set a Public Hearing date of July 22<sup>nd</sup> to consider and act on a Mass Gathering Permit for the Cumberland Soccer Club's "Just for Fun Tournament" to be held August 31<sup>st</sup> through September 1<sup>st</sup> from 7:00 a.m. to 6:30 p.m. at Twin Brook.**

Chairman Storey-King asked for any public comment on this item.

Public comment: none

Motion by Councilor Stiles, seconded by Councilor Turner, to set a Public Hearing date of July 22<sup>nd</sup> to consider and act on a Mass Gathering Permit for the Cumberland Soccer Club's "Just for Fun Tournament" to be held August 31<sup>st</sup> through September 1<sup>st</sup> from 7:00 a.m. to 6:30 p.m. at Twin Brook.

VOTE: 7-0 UNANIMOUS



V. **NEW BUSINESS**

**Councilor Vail** – at some point, he would like the Council to discuss updating the Comprehensive Plan and a long range plan. With the growth in this community and being faced with another school building project, a long range plan committee would be prudent.

**Councilor Gruber** – the Library/Historical Society Building Committee has been meeting twice a month. Meetings are held on the first and third Monday of each month. The committee has agreed on a design and they will present the plan to the public on July 29<sup>th</sup> at the performing arts center. They hope to get a lot of public input.

Our food pantry serves 45 families a month and thank you to all the volunteers who make it happen.

**Councilor Edes** – he supports Councilor Vail's efforts to slow growth in this Town.

There is a great article in the Forecaster about Gerry Hutchins. Gerry was part of so many people's childhoods while working at the pool and she is a wonderful woman from a great family.

**Councilor Stiles** – the Library/Historical Society Building Committee and architect have come up with a great plan. He hopes members of our community will come to the public meeting to give their input.

He thanked those who donated to the 4-H fund to benefit the food pantry. This is a great cause. We only need \$10 from residents of Cumberland and North Yarmouth.

**Chairman Storey-King** – she warned everyone that the planks on the railroad crossings are very loose.

She visited Broad Cove Reserve recently and used her kayak. The horseshoe crabs were amazing. She reminded Cumberland residents that they should have a parking sticker for their cars. They only cost \$1.00 and will make our Park Ranger's job easier.

**Councilor Copp** – condolences to the Langway family on the passing of Pete Langway. Pete was a longtime resident of West Cumberland and a member of the West Cumberland fire department.

**Councilor Turner** – he encouraged cyclists to stay in the bike lane as much as possible.

He congratulated the Town on the purchase of the Broad Cove Reserve. What a fantastic facility it is. He encouraged everyone to visit.

**Town Manager Shane** – paving will begin in August.

VI. **ADJOURNMENT**

Motion by Councilor Stiles, seconded by Councilor Edes, to adjourn.

VOTE: 7-0 UNANIMOUS

TIME: 9:42 P.M.

Respectfully submitted by,

Brenda L. Moore  
Council Secretary