



**TOWN COUNCIL
MEETING MINUTES
FEBRUARY 28, 2009**

Michael Bowie, Chair At Large 2009
Gina Mason, Vice Chair District 1 2010
Fern Larochelle, Jr., At Large 2010
Roger Cote, At Large 2011
Janet Henry, District 1 2009
Dale Crafts, District 2 2010
Norma Wells, District 2 2009

CALL TO ORDER & PLEDGE TO THE FLAG. The Chairman, Michael Bowie, called the meeting to order and led the pledge of allegiance to the flag at 9:00 AM.

ROLL CALL. Members present were Councilors Wells, Bowie, Mason, Crafts, Larochelle and Cote. **Councilor Henry was unexcused.** Also present were Stephen Eldridge, Town Manager; P. Sean Galipeau, Elwood Beal, Public Works Director; Ryan Leighton, Town Engineer; Cathy Ricker, Finance Director; Fire Chief; Dr. Shannon Welsh, School Superintendent; Prudence Grant, School Committee Chair; Tracey Austin, School Committee Member; Deborah Danuski, School Committee Member; Faye Ingersoll, School Committee Member; and approximately 50 citizens in the audience.

PUBLIC HEARING

SCHOOL AND MUNICIPAL BOND ISSUES

The Chairman opened the public hearing, thanked everyone for coming, and read the following introduction: We appreciate your taking the time to come and for showing your interest in the community. As you know, we are in some very tough economic times and we are not sure when this situation will turn around. As a Council, we feel obligated to get your input on matters such as these so that we are spending tax dollars in an appropriate way for these tough times. As a council, we have a number of obligations to represent or strive to achieve as your representatives. While we need to continue to supply the necessary services to run the town to keep the infrastructure up to date and in good working condition we must also keep our taxes at a reasonable level. As all of you may be aware, the State is facing the very same issues. In their efforts to make cuts, they not only cut expenses but also cut revenues, which we utilize to offset expenses that are needed to provide services. This has left the town with a shortfall of just under a million dollars and the school at this time is not currently aware of what their funding from the State will be, but it will probably equate to somewhere around 4 mil, which is part of our shortfall issue. The Council has set a goal this year to keep the taxes flat and we expect our budget to be reduced so not to raise taxes this year. In these tough economic times, it has forced us to look at how we do things and to make some real hard decisions on how we deliver our services and exact needs to achieve this goal. These bonds are an expense that will drive some of the cuts to achieve these goals. We feel that the municipal bond for two millions dollars may be a prudent way, with interest rates very low, to replace needed Public Works equipment and put our neglected roads back on schedule over the next three or four years. It will also provide us with the matching funds to complete the MDOT Road projects and the River Trail; this bond spread out over a ten-year period. We also know the High School is in need of some drastic improvements and that the School Committee is looking for \$500,000 to look at whether they need to build new or look at improvements. While we all know these things are needed it becomes very important for us to determine what is the right time to go do this. I will open this public hearing and ask that the Superintendent and Town Manger provide a five or ten minutes brief overview of the bond request and then we will take questions and comments from citizens.

Dr. Welsh pointed out that she has been here nine years. She said it was important to start with the needs at the High School. I am not going to spend a great deal of time on this because I think most of us are aware of what the significant needs are at the High School she said. We had planned to

have a public tour on Monday, but due to the storm, things were cancelled. This will take place this coming Monday, March 2 at 6:00 PM. That will provide residents an opportunity to walk through the facility and look at the conditions and what we are going to be talking about today and into the future and then there will be another public hearing on Tuesday night for residents who may have questions or comments at that point. To put this into perspective though, she continued, work has been considered at the High School for several years. I came across a binder as I was working in the office where Richard Ladner had submitted to the State for improvements at the High School. In the mid 1990's there were requests again. In 1999, a plan was submitted to the State and at that point, the State said that they would provide funding to Lisbon, but our elementary schools were identified as having a greater need and Lisbon Community School was built as a State funded project. Since that time, we have applied two additional times to the State. In 2005 when the list was issued, Lisbon number 27 on the list of State approved projects, but they only had funds for 20 projects. At that point, they were supposed to go out for applications again in 2007, and we had fully anticipated funding for the High School at that point. Unfortunately, the State has limited funds available and they delayed the 2007 applications saying that they would it available in 2008. Last year they delayed it again, and this fall they announced that they do not have funds and that they do not anticipate having funds for State funding projects in the foreseeable future; the State Commissioner announced in October. At this point, we have exhausted our attempts to find available funding sources, although we will continue to look at grants she said. For example, the PUC will be issuing up to \$120,000 in energy efficiency grants so we will continue to look for additional pockets of money as we go through the process she said, however, at this point we are recommending the local taxpayers take a look at what we can do with local funds.

Dr. Welsh said there was a process in place for looking at construction and mentioned that this will be her fourth construction project to date that she has been involved on. She said she has some understanding about the way the process works and it is very complicated. She said the very first thing you do is take a new versus renovation analysis, and in this case, we would have engineers come in and look at the mechanical and electrical systems to see what they are like. Historically buildings built before 1950 or 1955 are good solid construction. They hold up well like the old grammar school and the Farwell Mill. Some of these buildings are worth investing in. Some buildings in the 1960's and 1970's were built with lesser quality materials and are considered to be light construction. Some of our building was built in the 1950's or 1960's and some of it was built in the 1970's. We need engineers to come in and look at the structure. There may be elements of the building worth investing in, but we need engineers to help us determine this. Depending upon what they find will determine how long it will take and how much it will cost. There is no way to tell how much this will cost. She said she was involved with Durham's Elementary School project and that early on in the analysis it was determined the building needed replacing so the analysis work stopped. She said once you get the state of the building you stop and you go the community and say here is what we have learned, or here are the facts, and talk about what do we want to do given this information. Out of the money we are asking for, she said we draw out a certain amount of money to do that new versus renovation analysis. She asked the audience to turn to the backside of the green handout, explained the process for renovation, and then covered the process for new construction. She said once the new versus renovation analysis is complete you go to the voters with a straw poll vote to see what path the community wants to take. Either choice will cost the additional money needed to complete the task before bringing the project to the voters to approve. If the voters approve the \$500,000 services bond, all of the services need to be bid. She went to one firm and asked them for an estimate to do a new versus renovation analysis and all the other work with a greater detailed drawing to present at referendum and they told her Lisbon would need up to \$500,000, but it depended upon how much work needed to be done each step of the way. She said the School Committee was looking for a draw down similar to a home equity loan; it would be up to \$500,000 and we would take out what was needed each step of the way. After the new versus renovation was completed and the voters wanted to do more, then we would draw out more, she said to complete the task. It may cost less than \$500,000 she said. She invited residents to the Monday night tours to look at the facility. We will have people available there to answers questions

and provide you with specific information about the boilers, windows, and programming space. That is our proposal to you at this time she said. We are looking for your feedback and input.

Mr. Eldridge said early this year before we started going into the budgets the Capital Improvement Committee, which meets every year to review the projects they feel are important and need to be done, which includes buildings, equipment purchases, and things like that. We sat down and we looked at how we can afford to do some of the needed projects that we have and make it affordable without increasing the tax rate, which is the goal that we had set at the beginning of the budget process. He said the handout (see attached) outlined the three-year plan accompanying this particular bond to do some serious roadwork and purchase Public Works and Solid Waste equipment. He said the average life of a road is anywhere from 10 to 15 years, which is why it makes sense to bond them. At the end of this ten-year bond, we can go back out and do more if we need to. The equipment purchases are detailed on the other side of the attachment. The 1995 loader is fairly old; we plan to give that one to the Solid Waste Department and give the new one to Public Works. The Solid Waste one is even older than the 1995. This will allow us to replace the truck body and the dump body, which is rotted and the wheeler, which is used to fill the other trucks with salt, sand, and snow, etc. The Public Works garage has been up for referendum a couple of times to fix this building, which was voted down. In the meantime, that building continues to deteriorate. We have some brick that is actually falling apart and crumbling over the bay doors. For safety reasons it needs repairing. This estimate covers most of the brickwork, but whether we pass the bond or not, some of that work has to be done. It is a safety issue. The Solid Waste compactor only last so many years and it is time to replace it. It was felt this would be a good thing to bond as well. The Upland Road project has been ongoing since 2004, and now we have to come up with matching funds for that he said to finish that project. They are expecting to do start doing some work in 2010 and 2011; we need \$394,000 in total for matching funds to complete that road. They plan to do a lot of widening and ditching so it will drain better and hold up longer. The last request is for the Androscoggin River Trail match. This has been listed on the enhancement grant and if you get funding for this grant, he said you would need to come up with the \$320,000. We have a fairly good chance at getting this, but if you don't have the funding to back it up that \$1.6 million will go somewhere else. The trouble with these and roads projects is that the State allocates money for projects to get done and if they have matching funds they expect when you agree to go forward you will get these funds. This is a ten-year bond and in the first year, all we will be paying is interest; \$92,000 in interest has been put into the budget that will be presented on March 17 and subsequent years the bond payments would be \$288,000 and it decreases from there. If you break it down it comes to \$1.14 per week. That is pretty reasonable and it puts us on a schedule to stay on track he added. He said this was an affordable way to get some major projects done that will not be affordable if we don't do it this way. It would be difficult to raise \$240,000 every other year for equipment. He said he was hopeful that this would pass. Public Works is in dire need of this equipment, that building does need to be fixed, and the roads are continuing to deteriorate. This would put us on a schedule and help us catch up.

Ross Holmes from Cross Street said he was very discussed with the Town Council and the Police Department. He said he was being over taxed and that he wanted out of anything to do with the public school system. My kids do not go to public school so I would like to see the School Department get together with the Town Council and figure out a way for parents who have children in private school to have reduced taxes since I am reaping no benefit from the money spent on public schools. I am not sure you people understand where we are at economically and how sick and tired we are of paying so much in taxes. Now is not the time to increase my taxes he added. He suggested Public Works look for a used truck body. I personally don't believe, he said that either side is working hard enough and I don't believe either side understands that we are at our limit.

Mark Tupper from Reed Street asked about the accreditation piece. Dr. Welsh responded that accreditation assures that student needs are met through a quality educational program, that a vehicle exists to correct deficiencies in the school program, that their transfer credits will more likely be accepted should their family move, and that college representatives have the assurance of the

quality of their preparation for college. College admissions offices report that it is a disadvantage not to come from an accredited school. She said basically it is a reassurance to the community and colleges that the students were provided a quality program. We needed to have a plan in place to address our facilities concerns. Our 5-year report is due in 2010 and we have to show some indication that we have been working to address it. In 2005 we felt we were in good shape, she said we were planning to apply again in 2007 and we fully anticipated have State funds and we felt we were on a good track. At this point, she said we are very concerned; State funds are not available. We have to file a report in 2010 and we do have to show that we are working aggressively to address the conditions or there would be a change meaning NEASC would consider it a change in conditions. We told them we felt we were on track with the facilities issues, she said. If we have not done anything by 2010 and we don't have any plans to address those issues then we have to report that to NEASC and they could at that point change our standing.

Mr. Eldridge said the budget he will be presenting to the Council on March 17 would be a no tax increase budget even with this bond initiative; there may be some part time jobs cut though, but the Department Heads have done a good job so the municipal side of the budget will not increase the tax rate.

George Caron from Main Street asked if we set aside money each year to maintain the building and asked about weather stripping the windows. We didn't put much into it because we were anticipating State funds in 2007, and then we delayed it until 2008, but that didn't come through. Dr. Welsh said the windows were beyond weather stripping. You can see outside when you look at the wood around the windows. Last year, she said we put a dollar amount in the budget to have Stevens take care of the boiler although it was a flat fee, it was an increase to the budget, but it is under constant repair. She said there was \$7,000 in the budget for repairing each building, but that does not begin to address the issues.

Daryl Orr the School Department's Maintenance Director said the boiler is approximately 12-15 years old, although we replaced the boiler we didn't replace everything around it; the thermostats, steam lines, and everything else around it is 50 plus years old. We have had many calls on steam breaks this year alone. The maintenance contract for this year was a good investment. They are not making parts for the boiler at the Middle School. Five or six radiators were replaced, but they are \$2,000 to \$3,000 each and there are at least ten classrooms left. Dr. Welsh said we are not allowed to put money into an account each year to do a big project like replace the boiler. The High School boiler cost around \$100,000 to replace in 2000 and now the pipes and thermostats and the rest of the work needs to be done, which is the problem when you do things piece meal she said. That is why you have to go out for a bond or bond anticipation note.

Jeff Taylor from Huston Street asked what the enrollment was and if it has been declining over the years. He also asked where we stood on consolidation. Dr. Welsh responded that there were 450 students at the High School, which has been fairly consistent over the years. Because of the good quality programming we offer we have attracted about 20 students from Durham, she said. Those students in the future within six years will all be going to their new RSU High School. Because of the quality of the town we are seeing developments have been going in and so when the State had anticipated our enrollment would drop we were actually seeing an increase. She said last year it slowed down and dropped again in part because of the change in the economy, but we do anticipate future building and enrollment again. She said it has been fairly consistent at 450 at the High School and we do not anticipate a drop anytime soon because at the elementary school we have approximately 100 students per grade, which was what we had anticipated here. She said regarding consolidation, Lisbon is a stand-alone school municipal system so if the consolidation were overturned it wouldn't necessarily impact Lisbon.

Jeff Taylor from Huston Street said he has taken care of this school before. When you look at alternative fuel, he said a lot of it has to do with the way they build these buildings. Three wings off

a central section reduces its energy efficiency ten fold and it is more costly to build than a square shape because the piping is much more complicated going in all directions. He said we can not afford a showcase. Every school I have worked for, he said never has enough money for maintenance. We need to build it square and concentrate on how the cold air is heated for circulating fresh air into the building. He said a good boiler should last about 30 years. He would rather see the money go towards equipment than into a showcase. He said he would be available to help save a buck and taxpayer's dollars.

Tom Berry from Hewey Street said the nice thing about a small town is that there are willing residents to help. He clarified that Durham was not part of our school system. He asked about the line in the budget that rolls over from the previous year. Dr. Welsh said revenues collected during the year go into an undesignated account and are called carry-forward funds, which are used to off set taxes in the following year so you use that money to reduce taxes. She said we anticipate using \$450,000 to off set the taxes for 2009-2010; that's the same amount we used this year. Mr. Berry asked what the total enrollment would be for the previous year. Mr. Berry said that the total enrollment was about 1,400. Dr. Welsh responded that it was just less than that at 1,350. Mr. Berry pointed out that their overall budget was about 14 to 15 million. He said he didn't understand why we waited when in 2005 we knew we had problems. Dr. Welsh said she understood his frustration, but that the State will not allow us to set aside those funds. Ms. Grant said Dr. Welsh previously outlined how long this town has been seeking funding for this school, which goes back to the late 1980's, and it has been submitted several times leaving us low on the list until we came in 7 and then along came consolidation and the downturn in the economy and no more money. Since consolidation, many schools have come together and the belief is that when there is money again, those schools will jump to the head of the list and Lisbon will once again be left out. Ms. Grant said we are not guilty of being lacks in our maintenance, that things get old like people do, and that after a while we need increased work on us. We have been doing an outstanding job on maintenance work, but we are limited by State law.

Dr. Welsh said the town's two million dollar bond is about \$66 on the average \$100,000 home so if we put two million dollars away annually it would increase a \$100,000 home by \$66, but it would take us 10 to 15 years to get that money. At this point, we need to do some work at the High School sooner than that, but it may be a strategy the town decides to do for future work on the Middle School for example, she said.

Don Fellows from Fairview Drive said his question was for Mr. Eldridge. He asked what the percentage was of all this bonding to the total town budget. What percent of the total town budget will all of the bonding amount to? He said if we approve these bond issues and combine them with the ones we already have what does that represent as a percentage to the total town budget. Ms. Ricker said the total indebtedness of the town is at \$15,000,000 and that this would add two million dollars to that. Mr. Fellows said assuming this all these bonds are approved what portion of the total town budget will be in bonds. Ms. Ricker said \$10,000,000 relates to the bond for the elementary school and \$3,000,000 represents the bond for the Water Department, which does not impact our municipal tax rate. Mr. Fellows said he would really like to know what that percentage was. Ms. Ricker said the theory is that either you set aside money year after year then when you need to pay for something you have the money already there or you bond it and pay for it over time, which is backwards and forwards funding. The town does not have a capital improvement fund so we don't have the resources in place right now to be able to not bond, she said. Mr. Fellows said it doesn't seem to me that all of the total bonding for the town should represent more than a certain percentage of our annual budget or payments for that indebtedness. He said that those figures are available for the State about every time he votes on something. He asked if anyone knew what our federal bailout money would be doing to our school budgets. Dr. Welsh said she was waiting for information and that they would know more by the middle of March. Councilor Bowie said it appears that we would have about 17,500,000 in total indebtedness and our annual budget is approximately 22,000,000 a year, so your percentage is about 87% or something like that. Mr. Fellows said he wanted to know what the bond payment every year represents. Mr. Eldridge said

last year's payment was \$460,427 for debt service. In the upcoming year, you will have to take off over a \$200,000 bond. Next year your bond debt will be \$352,875, which is \$107,000 less than what you paid last year. Mr. Fellow said that would be about 2% of the total budget.

Ms. Grant said that whatever money the School Department receives from the stimulus program is not money that is coming in as a windfall that we get to spend like drunken sailors. It is all targeted money that must go to Special Ed, Title 1, and those kinds of things so we are very limited. It does not help us with construction and it is for two years only.

David Bowie from Upland Road asked if this would be a single one vote on the bond or would it be broken out by questions. Mr. Eldridge said there would be two bond questions, one for the school and one for the town. Mr. Bowie said that obviously my immediate interest was Upland Road because I live there. He said that project had been delayed at least once or twice and that we actually authorize the town to appropriate \$159,000 back in 2005, but since the project was delayed, I assume that this simply never was bonded at all. I am losing eight shade trees as are pretty much all of our neighbors as he said along with 50' of frontage, but the road needs to be replaced. He said with the delays we can't even do our own things that need to be done. I need to fix my electrical entrance and that hinges on what they do to the road with the new lines. I need to fix my driveway and that hinges on what they do with the 50' feet of my driveway and I definitely don't want to throw my money away and I definitely don't want to throw the State's money away either. On the school's question, it bothers me that we would have to pay for this whole thing locally without State funding of some kind. It seems unconstitutional that we do not qualify for State support. The State pays a pretty hefty chunk of the cost of local education. We all pay taxes to the State. Lisbon High School definitely needs to be fixed one way or the other. If it were possible to refurbish I am thinking it would be on the higher end of the cost of refurbishing. We would probably be looking at a newer construction a lot sooner than five, ten, or fifteen years down the road if we were to were to refurbish because that generally does not last as long as long as new construction he said. But, I don't want to pay taxes to the State to support education and then have to turn around and pay the same amount to the town and I think we all fell that legitimately somehow that is not right he said. A twenty-year bond for \$20,000,000 comes out to 3 plus mils, he added then if the project comes out to \$40,000,000 are we looking at six or seven mils instead. It also notes in the flyer that its 100% local, does that mean that even the debt service would not be eligible for any part of regular State education funding. Perhaps the biggest question is that if you were to take on this project locally and if three or four years down the road the state is back into a position to fund would they participate in our funding project, or will we be stuck carrying our own weight for a couple of years without any help from the State. Dr. Welsh replied that the figures in the brochure were figures for SAD #75, which is an 850 student school with a large auditorium. We do not know what the cost will be locally for our new building, she said but I can't imagine it will be \$40,000,000 because that is what it would cost for Mt. Aarat with a much larger student population. However if the voters move forward on the project whether renovate or new and approve a bond to fund that the State does not subsidize debt service as part of the regular annual subsidy. The stand alone cost is locally, she said and in the future if the State eight years from now takes applications on projects they will not consider Lisbon's already completed project. That's the reason we waited from 1999 to 2009, she added to try and get State funding. The need is great at this point and the State is saying they are not going to be issuing applications for several years. She said I don't believe we can wait another ten years for a State funded project. She said the RSU's will have a greater number of students in the future and thus creating a greater need and they will probably get a higher rating because of that so there will be greater competition for the funds and consolidated schools get extra points.

Jerry Corey from Winter Street said under the Public Works projects, the truck body for \$46,000, is that for a new vehicle and everything you need to run that vehicle or is it just the truck. It is just the crank on the truck, the body is separate, Mr. Eldridge replied, so we would take an existing dump body that we have and put it on that. Mr. Corey said my son goes to Lisbon High School and he has told me about the conditions there and coming from Gorham it was a little bit of a culture change for him. So we are going to need something done, that is a given. You were talking about

this project going out to bid, has the School Department considered construction management to go forward with the project; taking out the engineering costs and including that in the construction management program where they would go out and perform all the necessary functions. In the environment, today you have a lot of subcontractors who are on the brink of going under and they get into this project and they go under that will double your costs so this is something you may want to consider. Dr. Welsh replied that the design build concept is one that would be considered after the new versus renovation analysis and pointed out that there was some cost savings if you do the design build, which is sort of designing and building and designing and building as you go along. That has been done successfully in Greeley and Cumberland. It also requires greater personnel management of the project on the school side, she said because somebody has to be right there addressing issues as you go along. Mr. Corey said the \$500,000 drawn down figure was extremely high having worked on several projects myself in New England and on the Hyde Schools. Dr. Welsh responded that in 2000 when we built this building we used \$150,000, two years ago Durham needed \$350,000 and that was under the State process with limited drawing at referendum, and we had understood the voters had wanted a little more detail in the drawings and at the time we got the estimate there wasn't much competition for bids. Now given the economic climate it may be less than that, but given Durham's \$350,000 two years ago for a smaller elementary school and the High School will be more complicated so we felt the engineers and architects gave us a good estimate she said. When this goes to the voters for a vote to do either new or renovation you would see the actual cost and budget.

Shelly Quinn from Sunset Avenue said for me everything that has been going on locally and nationally is a big wake up call and look at how incredibly inefficient our government functions. When you look at the federal and state level, the astronomical and ridiculous way our money is being spent and wasted, and the debt that our nation, state and local government is in; enough is enough. It is time that we as taxpayers stand up and let our government officials know that we are not going to have tax issues without representation. It is time that we demand that we should be able to set money aside and look ahead and say okay these are the expenses that are going to be coming up and we need to be budgeting for them. I have tons of things that I would like to do to my house, but I can't afford it right now so I am not going to do it. And I agree that the school probably does need some repair, obviously it does, and the roads need to be repaired. I am not saying that they shouldn't be done, what I am saying is our government and the way our tax dollars are spent and the way that they are used is so inefficient that I get so angry; then I find out about these government officials who don't even pay their taxes. I pay property taxes. Maine has one of the highest property taxes in the United States and we can't run our schools on what we have already been spending, and we can't repair our school on what we already spent; I am angry and I am sick of it. Enough is enough. We need to be more onto our state and government officials and in their face and say we are not going to stand for this anymore. And as far as a new building and if it goes forward and they need a new building, it had better be bare bones building, something that is efficient, something that gets the needs met without a lot of frills, wasteful, excess spending on stuff that is not important. The bottom line is that kids don't need a fancy building to learn in; they just need good quality teachers that are going to do a good job and expect results, support from the community, and respect from the students she said. Teachers need to be given the authority to demand respect and results from their students and not dumb it down. The bar needs to be high. My kids go to private school, she said and do you know why; I taught in public schools and I know what they are like. My kids are getting a better education and I totally agree with Josh Holmes, that we do deserve a tax break if we are sending our kids to private school. We are paying money to support a school system and we are not using it so that same money gives more money to those who are in the school system. For those of us who are home schooling or sending our kids to private school and are spending our own dollar to do that deserve a tax break because we are not utilizing those systems. I am angry about the taxes and I am angry about everything. I think it is time our government had a major overhaul she said. It is time that we as Americans and citizens stand up and do something about it. Enough is enough.

Councilor Larochelle said he had only been a Councilor a short time. He said we only have one department planning for the capital improvements. We are trying to do that with other departments. You put money aside ideally so when you actually have to buy a dump body you have money to get it. I just want to let you know that that is happening and people are looking at it as you would your home budget; let's face it - if you don't have money at the end of the year to pay a bill you don't pay it. Mr. Eldridge has worked very hard as has Chief Galipeau at maintaining the ongoing savings account in the budget that has worked very well and we are trying to make that happen with other departments he said. It is really hard to replace what you really need if you don't have the money. Some of these bodies should have been replaced years ago, but we are getting to the point now where they just do not function, he said but we don't have a dollar to fix them. Unfortunately, this bond looks like a bad way to fix things because it means we have to borrow money to fix things, but without the programs in place to fix it we are kind of in a pickle right now. The bond is a slow way to fix the things that need to be fixed today, but in the process of doing that we are putting programs together that will in five or six years when we need money again, we will have in place a program to fix those things instead of actually going out to borrow more money. Unfortunately, we have been running on bare bones every year and it gets to the point where it is not how much extra you can put into the schools, it's how much extra can you cut out of the extra to make it work - it really goes against the principle of actually having to pay for it long term. I do believe that we can make that work in that direction. You wouldn't know it this year because we are still going out for a bond. Unfortunately, with out those budgets in place to get that done we still need to move forward so hopefully you do go along with the bond and that will get us into the position where in time when we come up with this situation again we will have the money in place. One program is already working.

Bob Roy from Memorial Street said I don't envy you folks. I know how important a good High School is and it can make all the difference in the world for our children to be able to go on to college as well as having a safe place for our children to go. These economic times are at best absolutely horrendous and scary. I don't believe we are going to see the peak to it for another three or four years. Our retirees had money in the bank and they were living off that interest, which is now gone. They have lost thousands and thousands of dollars in stocks. He said this is going to hit us all. It doesn't matter how much money you have, or whether you have a mortgage or not, its going to hit us all. We have to fix the school. Whatever it takes to get the windows in and the heating system in so that we can keep our accreditation and keep our children safe, that must be done. We can't afford that, but we must avoid large costs right now. You could lose 30 to 40% of your tax revenue within the next four years. I have two tenants out of work he said. I myself 30 years in my position am looking in the eyes of an uncertain future. We'll have to go belly up. I think most of us are just in denial, he said because we have never seen these kinds of times. Ladies and gentlemen they are here. I say replace the windows and completely go through the heating system in the school. Maybe in another three or four years if there is enough left in the dust maybe then we can make our determination whether we need a new school or not. I foresee money running out at home and people not having enough money for food. Committing ourselves to a big investment right now could be our own demise he said.

Michael Huston from Berry Avenue said or 35 years and has been involved in government off an on. He said I think the idea of putting money aside every year for capital improvements and maintenance and all is a very good idea. I know that several people in this room have looked at, as somebody who has attended every town meeting and voted on all of those things, I can tell you that quite often those monies never made it into the budget. To put money aside for these things still costs money. For every \$280,000, we raise for either the school or town side of the budget is about three mils, so if you want to say that we are going to put aside enough money to fund these window replacements, trucks, and everything you still probably will want to set aside about one mils worth of taxes every year. If we all had the self discipline to do it then we could cut down on our bonding and pay as you go. However, we could do a bond and pay about one mil to pay off the bond, but either way there is still a cost there. When I was a Selectman we used to regularly put budgets out to the budget committee and to the town and we would include money that we set aside for this

process because people wanted to save their taxes and I don't blame them. No one wants to pay taxes. You need to remember that everybody sitting up there is a citizen just like us and they pay taxes too. This is something we all have to do he said. These are things of value and we need to do this one way or the other, but I think you need to make a commitment. If you are going to say we don't need to have these bonds with trucks and all then let's make the commitment to put the money aside every year. Let's not take money, he said from the undesignated surplus and use it to lower the taxes; let it sit there and then spend it on capital improvements. Those are the alternatives because unless you are simply not going to do the work, you are going to spend it one way or the other.

Lorraine White from Miller Road said I have a child so I am very invested in the schools and I work in the school system in Auburn. I very much worry about the times that we are in. On my caseload, alone I have four families whose homes have been foreclosed upon. Just last week I had another family whose father got laid off from work so its very real. Families are really struggling and I just wonder if right now we can afford what is being proposed. We absolutely need a new school and I feel that very strongly. She said I was wondering while we are pursuing the new versus renovation are we also still going to be pursuing the State as the stimulus money comes down, as consolidation maybe moves forward or maybe gets dissolved, are you going to continue to pursue that aspect. Dr. Welsh said yes, we have to. The challenge is that the State does not have money available for several years into the future according to the commissioner.

Mr. Eldridge said if the town was to borrow \$20,000,000, which is just an estimate, it would cost about \$1,600,000 annually to pay that, which is equivalent to the three plus mils on our tax rate, but as Dr. Welsh has said we don't know what the price will come in at for either the renovation or to build new. The cost of materials, parts, and labor is up and down; it's a ballpark figure but it will impact our tax rate.

Lorraine White from Miller Road said we can't afford to lose accreditation for our children, but I have children on my caseload who are not eating. I have them hooked up with the Volunteers of America and the food kitchens and the food banks because families are not eating so that is very real, she said. A three plus mil rate increase, she said I just don't know how families can tolerate that.

Mrs. Austin said the State went through the applications in 2005 and said they were going to fund the first twenty while we were number 27. I went into this hoping that the State would actually go down that list from when they had it because they were running into money problems. What happened then was when you actually reopened the applications there are schools sometimes that are worse off than yours that didn't apply before that will now. Currently, the State had decided to delay some of the projects, one through twenty that they told were going to be funded. Once money does come in it isn't brand new money for any of us; it will be money to work down that list that they now have delayed. She said the State is not currently holding up their legal end of the bargain paying 55% of the education in the State; they are only paying 49% she said. They are not even currently meeting their obligations at the State level. I understand, she said living in Lisbon and do feel the pain of everybody; what I have a hard time and struggle with is we have been doing this since I left High School in 1991. We do put money into our school, but the feeling is that we have no money in our budget for repairs. She said we repair as we go because that's what we can afford. We don't have a savings account for these situations because we are not legally able to do that. My struggle is how many more years, since 1991, are we going to delay this because we are counting on the State as we should be because that's where our taxes go, but how many more years are we going to do this; until the building is completely falling down around us and we have even more issues. She said I know its hard, but my personal feeling is and I struggle with, just how much longer are we going to wait to do something.

Dave Crossman from the Bowdoinham Road said this is the first time I've been to a meeting. I got a brochure that said the mil rate was going up 3% and one of my concerns is that I am retired and I

don't want to be taxed out of my house. A good community is key. He said I have learned a lot today.

Dave Lycette from Main Street said I have some concerns about the road part of this issue. He said I looked over the handout presented and I am pretty sure there are some problems with the number. The reclaim items under Ferry Road, for example, are listed as what looks like .95 cents per yard, but when you do the math its more like \$9.50 per square yard. The reclaim road says its 24' feet by 6360' feet; that's not 5653 square yards, its 16,960 square yards when you divide it by 27 cubic feet per cubic yard instead of 9 square feet per square yard. Also, the hot top binder and surface is shown as 93.2 tons. I ran the numbers at 110 lbs per square yard per inch its 932 tons, which is off by a factor of 10. The good things that I found were and I am not sure what the scope of the work is for the hot top prices is for the town, but \$250 a ton for asphalt is very high as compared to the State, but it could include more things. These prices as based on the higher prices we were seeing last year, but it has come down quite a lot. He said I doubt we will see the prices as high as last year. I don't have a real big issue with the overall money you are trying to raise to repair the roads, but it's not realistic to think that this is an accurate representation of what can be done and I would just like to see all the numbers so these roads get done. Mr. Beal responded that those numbers were based on the formulas given to me by some of the actual contractors that do the work. I can make it more accurate, but your are absolutely right, they were estimated high for a reason. I would like to come in a lot lower, but if for some reason I run into problems that I am not counting on I do have money set aside, but no I do not believe they are going to come in as high as they are. As far as the hot top prices, that is the price the town was paying towards the end of last year because of the price of liquid asphalt last year. I know they are probably going to be a lot lower, but that was what I was paying to do the last couple of roads at the end of summer.

Stacy Wood from Lawrence Street said I have kind of a different perspective on this because I moved to Maine; I chose to move here. I am retired and my wife and I love it here. We pay twice the property taxes and twice the vehicle tax that we paid where we came from. I have to pay \$1,600 in State taxes this year even though I am claiming zero exemptions and single. My question is where does that money go? The roads aren't in good shape. The schools aren't in good shape. Where this money go he asked. Maybe its time we just said, "No." Figure out a way besides taking it out of my pocket.

Councilor Cote said I would like to just bring one point up that I don't thing that we as residents of this community should forget. We have a Public Works Department that we depend on to clear our roads and to sand and salt our street for safety. We have no problem funding safety issues in this community by looking in the past year into purchases that we just made; its time that we help the department that keeps our roads safe so that these safety vehicles can do their job also. You don't see their trucks in the parade; they are all rusted and beat up. Let's give these people a little respect for the good job that they do he said.

Chris Rugullies from Main Street said I graduated from the High School in 1990 and I remember at that time it had some maintenance issues. I think it absolutely needs to be repaired or replaced. Our kids are young, 5 and 6 now. I would love to see them have a better High School one day, however, I feel that we are already the highest taxed population in the United States and I think its wrong to ask us to pay to improve the High School when we are already paying the State to do that. Also, I concur with the comments we had about the current economy and that this is not the time to be taking on a ton of debt. I feel we should fix the High School, take care of the windows, take care of the heating system, and the essentials that really need to be repaired; then perhaps in three to five years from now look for the State to do more substantial projects for us as they should do anyway. Dr. Welsh said that is exactly what we did do in Durham. In 2003 Durham's Elementary School was in very bad condition and needed something, but we were this close to getting State funding and Durham made a decision to wait to apply for State funding; they spent a total of \$750,000 to fix the school and took care of the issues, which is similar to what Lisbon is facing now. They were able to get State funding for their project about seven years later and the State went in and looked at the

facility and said because of the light construction in the current elementary school you need to build new and so the State is helping to fund a new elementary school there. What the result is that Durham citizens are having their current school demolished to be used as a ball field and parking lot. However, the citizens are going to continue to pay on that \$750,000 note that they took out, but they are willing to do it because they feel that they have gotten their \$20,000,000 project out of it, which the State is funding. That was the risk that they took, but they also recognize now that they haven't been upset with the School Department for saying to them put a new roof on and seven years later we are going to tear it down. The reason that I tell you this story, she said was because that's the method that the Durham community chose to go forward and I want everybody in the room right now to remember seven years from now if the State says the High School is light construction and we have to tear it down the new windows we put in are going to be destroyed and you're going to continue to make payments on that building. She said I want you to be informed so whatever decision you make about the building going forward is based on all of the information.

Curtis Lunt from Ridge Road said I would like to echo the comments made by Mr. Rugullies we can't afford a \$20,000,000 school, but we can afford to repair our school and be patient with the State. We have a right to do that and we have an obligation. I think you could sell this \$500,000 a lot easier as a repair project. I think you should consider that; I don't think that a date has been set for a vote, he said but I think there is a problem with the town bond issue too because there are too many choices in that \$2,000,000. I think we are forced as taxpayers to take the whole variety of projects or none. I am in favor of Upland Road for example, he said and I am not sure about the others; I am not even familiar with some of them. There is a lot of material for the voters to accept on short notice so I would like you to consider splitting that bond up, he said.

Mrs. Austin said I would like to just put this out there to see if there is any feedback. I am hearing let's repair the building, let's fix the heating, but there are non essential items that are a problem. Let's say the gym as well, the track is non functioning, modular classrooms, the locker rooms are atrocious, and just how far do we go when fixing these problems - other than just windows and heat. We need to know from today and Tuesday what to bring to voters so my question for those of you in the audience is what else do we do. I have a hard time with this because there are just so many issues. Where do we go, she asked.

Ms. Grant said Charlene Bennett just retired and in 1970 she was told by Richard Ladner that she would have a new gym. Mrs. Austin just asked you how you are feeling about constructing a new gym. The gym is not an adequate size and if we have teams that make it to finals, we have to contract to go somewhere else. Do you also want to build a new gym, she asked. We have a track that is not adequate; I know Dean Hall has been having fund raisers every year, but its tough to come up with enough spaghetti suppers and other fund raisers to come up with the money to build a new track. How are you feeling about those things, she asked. We need to know because if we do a catchers catch can and we do a band-aid we are still going to be in trouble with the gym situation.

Jeff Ramich from Hudon Road said I am a taxpayer here and an administrator here so I get to wear two hats. I am very modest, but I am going to be up front and honest with you. I am the Athletic Director at the Middle School and High School. Our gymnasium is in dire needs. I like the story that Ms. Grant gave about Mr. Ladner promising Mrs. Bennett a new gym back in 1970, well we heard the same thing when I graduated in 1984 and Mrs. Austin described the same thing and she graduated in 1991. That gym is falling apart. The gym floor is tearing apart with over twenty seams split wide open. The bleachers are inadequate; the gym area is too small as Ms. Grant alluded to when we make the tournament and if we are fortunate enough to host we have to go another school that has a regulation size gym floor. Athletics is an extension of the classroom and it is very important for our children to learn and to have some pride in our school and to be able to host some of these things. We also have physical education classroom with 25 to 30 children in them and there is just not enough room. We have walls that are too close and are dangerous by the stairways. Once again the gym surrounding the outside of the sidelines of the gym are supposed to be three to ten feet all the way around; its less than three feet. I've played there and hit the walls

many times. Others have played there and hit the walls as well. We have padding, but its going to take that one time where someone is going to get hurt going downstairs or maybe going up onto the stage. The track is dirt. Our track programs do a very good job running on dirt. Our program still wins conference championships, but once again, our children are running on dirt. When they get a chance to run on a rubberized track they do an outstanding job. I think our kids deserve to have a facility once again that they can be proud of that they could do a lot better with; if they are doing well running on that dirt track image what they would do if they could practice every single day on a rubberized track. Some people think about scholarships when they go off to college. We have had one or two kids from the track program get a scholarship; maybe if we had a facility that had an all weatherized rubber track that number might increase greatly. I understand about the mil rate and what Chris Rugullies said, and that is going to increase, but this is very important.

Ms. Grant said Charles Dickens in the first line of the *Tale of Two Cities* starts out by saying it was the best of times, it was the worst of times; I think we find ourselves in a situation where it is the worst of times and I am not sure how I could add it was the best of times. I think we are at a point where we are on the horns of a dilemma between a rock and hard place, but our situation is not cliché. We do understand, we too are taxpayers, she said. We are looking at the accreditation team in the face, but if we do some catch up work, we would be making an effort and that would call off the accreditation team and call off the threat to place us on probation. It was those issues we were asking you to think about, she said.

Councilor Mason asked what the impact will be when the base closes in 2011 and how many students will be lose. Dr. Welsh replied there were 30 students at the elementary school, 20 at the Middle School and 30 at the High School. We called the individual families and there were a variety of situations where either they were either close to retiring and they were going to stay here or the spouse had only a year remaining so the spouse was going down and they family was staying here. She said this would have a limited impact on our enrollment decrease.

Councilor Crafts said from what he has heard on the street from constituents and from what I have seen in Augusta, I don't see how the taxpayers are going to approve the bond anyways so in that scenario what would be Plan B, he asked and what would be the timeframe to go back to the town to go ahead and repair some of the building's problems. Dr. Welsh said I don't know, the School Committee needs to deliberate on the input given them and look at options. One of the issues we talked about at the Council Meeting would be the possibility of the town funding the new versus renovation analysis for \$15,000 to \$20,000 and have that be really detailed; here's your priority list of things that really need to be done and so we could say here is the analysis of the building and here are the highest priorities based on the engineer's analysis. If we could have those funds to do the analysis then the town could deliberate on what to do and then take the next step; so whether we address funds in the bond that you are going forward with and include additional funds there to do that study and then ask the next question at maybe the November referendum. That would be one option off the top of my head, she said at this point.

Mr. Eldridge said the Department Heads, town staff, and many of the employees involved - part of what we do is we try to balance our revenues, and we are very short this year, with what our expenses are. We are expecting to be able to do this bond and not see your taxes increase. That was the goal we set at the municipal office and we told the Council and public that we were not going to increase taxes. How we do that is a number of different ways. We loss some bond debt this year. Our cost of fuel is going to be a lot less than last year, so there are different things that we look at. Again, we have fit this into our budget so we do not have to see a tax increase and this allows us to get a lot of things that have been on the table done; dire work, replace equipment. Hopefully, we do move forward so you can have a pay as you go process for capital improvements so down the road we won't be borrowing money for vehicles he said. The Fire Department does this extremely well. We want to follow that same model so after this we are hopeful that we will be able to have a pay as you go process, but I want to really stress that this bond will not increase your taxes from the municipal side.

Ross Holmes asked if the School Committee or Council had considered his comments earlier about wanting some more for taxpayers who are paying property taxes and are not reaping any benefit from the public school system.

Councilor Bowie said I understand your concern, but there are a lot of people living in our community who elect to send their children to private schools or home school and there are services that you don't use; unfortunately, it's a state law that governs how we are allowed to apply taxes. He said we are not allowed just to say I am going to disperse taxes in the town based on usage. That would make sense to everybody, right he said; based on what you use in the community you pay taxes, but we can't do that because the state law says its all based on your property valuation. Until that law is changed we can't decipher between the elderly and retired who have already paid for the school systems and probably shouldn't, or people who provide their own education. We just can't do that as a municipality.

Councilor Mason said I sent my children to private school and my husband and I bore the cost of that to a School about 20 miles away. We transported them several different ways everyday. That was something that we chose to do. Did we like it that we had to pay taxes so that somebody else's kids go to school, she said no, but that's part of being a citizen as Councilor Bowie said that's the way the state law works and that's what we have to do, she added. Public school is not going to go away and we know that. Do I think we maybe need to be better at streamlining some of these things and getting rid of some of these state mandates, she said absolutely. That's where we as a people need to be a voice, we need to come out, and we need to help solve the problem and we have to understand that our hands as a community, as a School Department, in some sense are tied because of what comes through State and National Government. There are some things that I don't agree with in the School Department, but it will not go away until those things are overturned. I can understand the dilemma, but I can understand your, because I know what type of education my kids got; it was on a much smaller scale in a school that didn't have all the bells and whistles. We didn't have a fancy building. We happened to have a nice gym at the school my kids went to, but that was luck. Did they miss out on a lot of things, she said yes they did because they didn't have all the sports programs and all those things that the public school has. That's a choice I made, I sent my children there. Could public schools do a better job, she said, I think they could and until those things are taken away by the State or the National Government we can't do much about it.

Councilor Bowie said I don't see anymore individuals ready to make a comment, its 11:45 a.m., and I would like to thank all of you for showing up and for providing your input. It is very valuable and that this Council and I think the School Committee has learned a lot out of this, which is exactly what we wanted to hear out of this and that we will take all of your comments into consideration and try to move forward in the best direction.

The Chairman closed the public hearing and adjourned.

Respectfully Submitted,

Twila D. Lycette, Council Secretary
Town Clerk, Lifetime CCM