

**ST. GEORGE SELECT BOARD & ASSESSORS
MEETING MINUTES
Monday, August 14, 2017**

The Select Board meeting was called to order at 7 p.m. Members present were: Richard Bates, Chair; Randy Elwell, Jerry Hall, and Tammy Willey. Also present: Tim Polky, Elizabeth Curtis, Scott Vaitones, Earl Ludman, Susan Ellis, Stephen Adams, Lisa and Rodney Pratt, Peter and Janet Harrison.

PUBLIC COMMENTS: None.

REGULAR SESSION:

- Adjustments to Agenda: The following adjustment was made to the agenda and taken out of order:

- New Business Discussion Item: Quarterly Budget Committee Review
- Jersey Road Resolution
- MDOT and Route 73

- Quarterly Budget Review – FY 4th Quarter: Chair Susan Ellis said the Budget committee reviewed the FY 4th quarter and discussed the following with Finance Director Curtis.

Town Manager's Salary - The budget committee had questions about the Town Manager's salary going over. Curtis explained it was because of sick leave and vacation time due to a February retirement date, as opposed to a June 30 retirement date.

Annual Audit – Curtis explained that amount was because of the additional audit done at the change of Town Managers.

Professional Services – The committee said there was a noticeable change. This was due to legal expenses for the cemetery and the Molloy appeal.

Insurance - That area was underspent and appeared to be a budgeting error. Chair Ellis commented if it is carried forward at a comparable number, perhaps there would be an overrun, again.

Chair Bates thought about the issue of the Town Manager's salary, but realized it was the changeover and the transition between John Falla retiring and the benefits. Ellis said it was noticeable because the vacation and sick time payouts, budgeted for this year, all of a sudden got paid out last year.

Legal Expenses - Chair Ellis said the Town has some legal expenses regarding the Wyeth Reading Room and work on the solar contract. They are hopeful that the expenses would not go too far beyond what has been budgeted for the current year where we just started.

Select Board & Assessors - Chair Ellis said under the Select Board and Assessors & Planning, they noticed that the Board Secretary's budget had run over but we understand that it was Marguerite's thorough minute taking.

Abatements - Chair Ellis said the abatement expenses were over but it had been budgeted for this year. The Committee realized that they were not budgeting enough for abatement.

Fire Department - The committee asked Polky, with the amount spent, what had been purchased for equipment? Polky said the trucks needed some fittings, but the larger expense was air packs. After the Fire Department found they were not eligible for a grant, they started a program to replace many air packs, every year. Polky said he bought three air packs the first of the year and they are supposed to be arriving any day.

Chair Ellis asked why officers' training and staff was underspent and there was money left over? She also asked if the fire personnel got paid per fire? Polky said they do get paid per fire, but one thing that is hard to budget is the forecasting how many fires there will be, the types and calls and how many people will show up. Polky said if there were two major calls, it would make a significant difference on the budget.

Animal Control - Chair Ellis said the town now has an Animal Control Officer.

Roads and Property Management - Chair Ellis said contract services were overspent but the reason was due to the roads being readied and prepped in previous budget year, and surfacing the roads in the current budget year. Chair Ellis said this saved money because it was done earlier in the year. Chair Bates said we have saved money, already. Chair Ellis that was good, but there is a gap in this one year.

Solid Waste - Chair Ellis said the Solid Waste had overruns in attendance, tipping fees and transport, but all of the overruns were less than the overruns in the previous budget year. She said they were fairly well addressed in the current budget year. Ludman asked if the numbers were variable? Polky said one of the things they ran into last year was the inundation of brush. People were bringing in brush and demo. Ludman said that is why the town started charging \$10. Polky said yes and it had been curbed a lot. Ludman said there are some revenues that are offsetting the charge. Polky said the revenues aren't so much offsetting the charge, as it is discouraging people from bringing the items in. Polky said there are a lot of companies that take brush and demo and haul it off like, Rockland and other commercial businesses around the state.

Polky said one of the big issues affecting Solid Waste currently is bait the fishermen buy. The frozen bait comes in boxes, and the boxes cannot be recycled because they become wet; therefore, the boxes go into the waste stream. That is a big part of why our numbers are up. Ludman asked if the waste stream fees are charged by weight or volume. Polky said they are not being charged. Ludman said the transfer station should have an area where the excess water can drain from the bait boxes and then dry out. Polky said as simple as that idea sounded, it might help.

Polky said the other issue affecting the Solid Waste budget is the recycling rate. People are not recycling like they had been. Polky said one of the reasons was there was a nationwide advertisement done that recycling was not working. Chair Ellis said we need to keep encouraging our transfer station attendees to encourage people to recycle. Polky thought a lot of people looked at recycling as it was costing money, so it was not worth doing, and therefore, people are not recycling like they were. Chair Ellis said we need to continue to encourage people to recycle.

General Assistance - Chair Ellis said the committee did not discuss this.

Social Services - Chair Ellis said they were fine with the numbers.

Recreation - Chair Ellis said Curtis pointed out that both the child recreation programs and the senior rec programs had revenues that more than offset their cost overruns. Chair Ellis noted the ballfield improvements of \$20,000 would be rolled forward into the current 2017-18 budget year.

Harbors - Chair Ellis said they discussed the boat and the cost to repair the boat and were not sure what the repairs entailed. Ludman said the town might have to buy a new boat and Chair Ellis said if it kept costing very much, then they'd talk about a new boat. Polky said that was something to be considered but did not think it would have to be this year.

10 Cold Storage Road - The Committee will be interested to see what will go into fund balance.

Chair Ellis said the Budget Committee received a new assignment from the Select Board, and they will be working on that. She told the Select Board they planned to have a report done by December 1st. Chair Bates thanked the Budget committee for taking on the task.

Vaitones said Suzie Ellis was unanimously elected as the Budget Committee chair.

Chair Bates said the Harbor income was quite a bit more than expected. The Select Board anticipated \$55,000 but received income last year of \$68,000.

Chair Bates said the Planning Department income was not as large as they had hoped but did notice the Solid Waste income was more than expected. Those are the three changes in income. Polky said the Planning Department was basically permits, and the town had less permits than in the past. He said there had been fewer applications, and those applications had taken more time to process.

Vaitones added that Curtis had been very helpful and comes to the meetings, very knowledgeable. Chair Ellis said Curtis was well-prepared and willing to help.

- Jersey Road Resolution: Chair Bates explained the Jersey Road was approximately ½ acre of land; it could be divided various ways. Chair Bates said it could be divided equally or the town is open suggestions from the abutters.

Polky explained to the abutters his intention for writing them about the Jersey Road was to resolve the unknown owner of the property lot. He said the town does not want to have all of these unknown owner lots. He said the town would like to put someone's name on these lots, and the Select Board would like to discuss it. Polky said it is whatever works for the landowners.

Adams noted that the Conant lot is only 90' which makes it nonconforming. By adding the other 16.5', it would bring that lot into conformity, and that is something the town has always tried to do – to bring any lots that are nonconforming, to meet conformity. Adams said it would be a good thing to divide that property to the abutters, and it would help that lot to bring it into conformity. Chair Bates said that was a very good point.

Polky said one suggestion made to him was, there are four abutters and two of them were have always used that for a right of way to Drift Inn Road. If it was the Conant lot that needed 100' to bring it up to conformity, what if the town made the Jersey Road into a town right of way?

Adams was not sure and said you would have to talk to the other owners. Polky said he was just suggesting that it might be a way to resolve the issue and would give Conant over 100' frontage on a public or private way.

He said one other option was to split it down the center and Quit Claim those pieces to the abutters; but also retain it as a right of way, that way everybody would get the right of way and the other abutters could use the road as they always had.

Chair Bates said the town would like to resolve the issue but it did not have to be decided at this meeting. He recommended the property owners talk about what they would like to do and get back to the Select Board in a month, the meeting of September 14. Chair Bates said the simplest, from the town's point of view, is to divide it equally into four parts and each property owner gets about 1/10 of an acre. Adams said that seemed like the most logical thing to do.

The Harrisons, Pratts and Mathiau discussed their points of view and their desire to preserve access to the Drift Inn Road through the Jersey Road via a footpath right of way.

Adams asked if the town would put the covenant on the deed? Polky said because there are so many people involved, he was going to suggest the four abutters get together, come up with some type of agreement, have a lawyer look it over, then send it to him. He felt it was in everyone's best interest to talk with a lawyer. Polky said he was not sure if they needed a survey done but recommended they have it laid out and spelled out that that it would be a footpath. Polky also explained that the town will need to have a Quit Claim done for each of the abutters, and he would probably have the town lawyer do that. Polky said since Alan Conant was not at the meeting, he would call him and talk about what had been discussed.

- Minutes: The minutes of August 7, 2017 were amended as follows:

Page 1, under Communications – line 5, delete **in**, change to read ...**how we stand compared to...**

Page 3, under Update from ad hoc solar – line 2, change to read ...sent a draft to Steve **Hinchman, Esq.** from ReVision...

Page 3, line 4, change to read ...to be a conversation **between them** just to say...

Page 3, line 7, change to read, Selectperson Hall was hopeful the **Select Board** would...

Page 4, second paragraph from the bottom, line 7, Abutters are...correct name to **Harrison**

On a motion by Selectperson Hall, seconded by Willey, it was voted 4-0 to approve the August 7, 2017 Select Board minutes, as amended.

- Communications: None.

- Warrant: The warrant for the week of August 14, 2017 was reviewed and signed. The total expenses were \$483,456.36 and included one week of payroll, an August school payment of \$413,417, a payment to Hagar Enterprises of \$37,169 for the town office parking lot, Howard's Head and in finishing Factory Road.

Chair Bates asked about Kelly & Associates bill of \$922.50. Curtis explained this was for the solar contract agreement work for 7/19, 7/20, and 7/24/17.

Chair Bates asked about the paving of Howard's Head. He said it would save money, in the long term, in maintenance and it would be a safer road but how much savings could they expect? Polky expected it would most likely take 10 years to save in the cost. It would depend on the spring weather because they have had to use a lot of crushed rock on the roads in the past. Polky said they have been paving more roads, and that cuts down on the maintenance costs.

TOWN MANAGER'S REPORT:

-Update on Roads: Polky said the paving of the parking lot at the town office was completed and road paving was almost done. The Salt Shed area still needed to be paved. The company ran out of time but plans to come back and work on a couple of cross-culverts; one on Ridge Road in Glenmere and on Turkey Cove Road.

- Committee Meetings:

The Planning Board meets on August 22 at 7 p.m.

The CDC will meet on August 22 at 5 p.m.

Sally Long Birthday on August 26 at 5 p.m., open to the public, proceeds to benefit the St. George Ambulance Fund

COMMITTEE REPORTS:

- Comprehensive Planning Committee: Selectperson Elwell said the committee will be meeting in September. Chair Bates said some of the sections are being written by Noel Musson. Selectperson Hall asked if the plan would be available in time for the November vote and Polky said yes, he hoped so. Polky said he expected to see the sections written by Musson any day, now. One issue was the difference between the town and state's format. At the suggestion of MCRP, Musson was putting everything into the newer format.

- Budget Committee: Curtis said Elizabeth May, a committee alternate, had been elevated to fill the three-year term expiring June 30, 2020. This leaves a vacancy for an alternate to fill a 1-year term, expiring June 30, 2018.

- Planning Board: Chair Bates said the Planning Board met on August 8. There was a final public hearing for the proposed Wyeth Reading Room on Horse Point Road from 7 p.m. to 7:45 p.m.

After the Public Hearing, the Board reviewed the Performance Standards, Section V of the Site Plan Review ordinance for the Reading Room. The Planning Board found 14 out of the 20 standards were either met or not applicable. The meeting went until 10 p.m. Upon the recommendation of Linda Bean's attorney, Paul Gibbons, the Board voted to select their own traffic engineer to perform a traffic study on Horse Point Road. Linda Bean had agreed to pay for this study. The Planning Board will continue the site plan review at the September 26 meeting.

Selectperson Willey asked if Ms. Bean paying for the traffic engineer was a conflict of interest. Polky said in the town's ordinance, the Planning Board can ask for expert witness, and it can be paid for by the applicant.

OLD BUSINESS:

- FY18 Final Appropriations and Reductions Page: Chair Bates said when members of the public ask about what is going on the budget, numbers are always useful to tell people that out of the total of their taxes a quarter of the taxes go to pay for the municipality, roughly 10% go to pay for the county and the

balance of 65% go for the school. He thought some people might not have a clear idea, and thought it was worth reminding people that the municipality, itself, was just a quarter of their taxes.

Chair Bates said in terms of town budget, it was interesting that this year the gross budget went up by less than 2%; 1.8-1.9% and one of the major increases was the fund balance issue. He said the town was taking less from the fund balance and that was a good idea because it gave the town a two-month cushion. But it is because we are taking less from the fund balance, the town ended up having the 8.34% increase in municipal appropriations.

Chair Bates said people say the appropriation went up 8%, how could you say that you have only had a 1.8% increase? The issue is since we are taking less from the fund balance, the appropriation went up by 8%, although the budget only went up by 1.87%. Curtis said she had been answering most questions saying it is the fund balance and explaining the difference. Selectperson Hall said we are taking less out of the cushion, and he had the same reaction when he looked at the sheet. He said it was all about fund balance.

Curtis said she gave the Budget Committee a lot of different information from over the last five years such as fund balance that has been used, money that has been set aside for reserves, what the net budget is, what the municipal appropriation is, comparing revenues for each year, so they understood that it is not just any one thing. Chair Bates said the more people understand what goes into the municipal budget and why it is the way it is, he thought, was good.

NEW BUSINESS:

- Update from the ad hoc solar committee: Selectperson Hall said two to three weeks ago, Attorney Bill Kelly contacted Steve Hinchman of ReVision with some recommended changes on behalf of the town of St. George. Hinchman came back with a redline draft incorporating those changes and Attorney Kelly and Hinchman went back and forth with a couple of changes and Selectperson Hall thought they came up with a final draft. Attorney Kelly thought it was a good and fair agreement. The agreement had a few areas that needed to be filled in and there is a question of how one executes the final page because there is a statement "For form purposes only. Do not execute." Selectperson Hall was not sure what they needed to do to finalize the agreement.

Polky said CMP had been notified. Selectperson Willey asked if the town would incur a penalty since the still the surges are still occurring? Selectperson Hall said yes. Selectperson Willey asked if the agreement stated what the penalty would be. Selectperson Hall said the penalty would not be with ReVision; it would be with CMP and would be around \$200 a month. Chair Bates said it had to be through May since that was when the last surge happened. This was unavoidable. He said the surge problem needed to be fixed but for now it meant not using the dishwasher, so intensely. Selectperson Hall said the \$1,000 would be less than the penalty the town would pay by installing the solar, next year. Chair Bates said next year net metering was changing.

Selectperson Willey asked what happens if after May the spike isn't corrected? Curtis said every time there is a spike, the twelve-month calendar starts, again. If there is not another spike between now and May, CMP drops the rate they are charging us for delivery. Chair Bates said this is a critical thing that has to be fixed. The proper fix is either to have a preheater on the dishwasher or to have a different dishwasher. Selectperson Hall said there is a soft start for the air compressor and the elevator heater. Polky said there are a number of things that we are going to do that will resolve any spikes. We have narrowed it down and pretty sure it is the dishwasher. Selectperson Elwell asked even if we did not go with the solar, wouldn't we want to resolve that issue anyway because when you get a spike, your electrical bill goes up. He said either way, you are going to pay for that spike.

Selectperson Willey hoped it was a good investment for the people of the town. Hall said he thought the town would save \$1,000 to \$2,000 in electricity costs for the next six years, then the town pays \$79,000, and in the beginning of year seven and then there is around a 12-year payback on that. He said that was a pretty good return on investment. He also said they are working with a company that has put in thousands and thousands of these systems and the chance of anything going wrong is low. The

biggest worry is we avoid the spikes and is anxious to move forward to do those things. The biggest risk is we wind up further delaying the saving potential that is available to us.

Selectperson Willey asked Polky if he had an opinion on this. Polky said the last time they went through this, he was not convinced; but he said, he did know, now, the town would not lose money on this. Polky said the town should make money on this; we won't lose. Selectperson Willey said as long as the town was not going to come out and say why did we ever do this, and why did you ever vote for this? Polky said he was comfortable that the town wouldn't lose.

Selectperson Hall will contact Attorney Kelly about the decision on the agreement.

On a motion by Selectperson Hall, seconded by Elwell, it was voted 4-0 to give the Town Manager the authority to complete the agreement with the necessary information and sign the agreement.

Chair Bates and the Select Board thanked Selectperson Hall for all the hard work he did on the ad hoc solar committee working with ReVision, the other vendors and Attorney Kelly. Selectperson Hall added the Conservation Committee had put in a lot of work into this project.

- Abatements Requests: The following abatements were reviewed:

- David and Gaylea Hynd – The request was made because the Hynd Lot 008 and Lot 009 had been combined and they were taxed twice on the property. The amount of the abatement is for \$216.63. On a motion by Selectperson Elwell and seconded by Hall, it was voted 4-0 to approve an abatement in the amount of \$216.63.

- Peta VanVeuren – The request was made because the VanVeuren's had a Homestead Exemption when living in another municipality, and did not let the Assessing Office know. She is eligible to receive the Homestead Exemption because she had one previously in a town in the State of Maine. On a motion by Selectperson Elwell, seconded by Hall, it was voted 4-0 to approve the abatement in the amount of \$217.50

- Request for MDOT to Assess Rt. 73 for Road Repair: Chair Bates said he discussed with Polky the possibility of contacting MDOT to assess the road conditions starting at Rt. 131, down Rt. 73 to Spruce Head. Chair Bates handed out a MDOT work plan for 2017-2019 and Route 73 was not on the plan. The Select Board agreed Rt. 73 was breaking apart and is in terrible condition, especially during the winter months. Chair Bates said if DOT planned to work on it in 2020, he felt that would be too late, and the road would be in a totally unacceptable condition. Polky said he had been receiving a lot of complaints about the road. Polky noted that the State pays the town to plow and do winter maintenance, but the State is responsible for the maintenance and summer maintenance of the roads. Polky said Representative John Spear suggested the town contact MDOT regarding the road conditions on Route 73.

On a motion by Selectperson Elwell, seconded by Willey, it was voted 4-0 to write a letter to MDOT and request they assess the inadequacies and unsafe road conditions from Route 131, down Route 73 to Spruce Head.

At 8:25 p.m., on a motion by Selectperson Hall, seconded by Willey, it was voted 4-0 to adjourn the meeting.

Respectfully Submitted,

Marguerite R. Wilson
Select Board Recording Secretary