

ST. GEORGE SELECT BOARD & ASSESSORS

St. George Town Office

MEETING MINUTES

October 21, 2019 – 7 p.m.

The Select Board meeting was called to order at 7 p.m. Members present were: Richard Bates, Chair; Randy Elwell, Jerry Hall, Wayne Sawyer, and Tammy Willey. Also present: Tim Polky and Terri-Lynn Baines

PUBLIC COMMENTS: None.

REGULAR SESSION:

- Adjustments to Agenda: None.

- Minutes: The minutes of October 7, 2019 were amended as follows:

Page 2, under Communications, 1st bullet, line 5, correct word to **optimistic**

Page 2, under Town Manager's Report, paragraph, line 1, correct spelling to Re**V**ision

Page 2, under Budget Committee, line 1, correct spelling to **Susy**

Page 4, paragraph 5, strike line 1 indicating Selectperson Willey would be absent; (Selectperson Willey **was** present for tonight's meeting).

A motion was made by Selectperson Elwell, seconded by Hall to approve the Select Board minutes of October 7, 2019 as amended. The vote was 4-0. The motion carried.

- Communications: The following communications were received.

- A letter from Waldo Community Action Program (WCAP) thanking the town for the \$786.00 donation. The form letter was read by Chair Bates and noted their partnership with St. George was held in high regard and they hoped it would continue for years to come.
- A letter from Trekkers thanking the town for the \$2,500 donation they received.

- Warrant: The warrant for the week of October 21, 2019 was reviewed and signed. The total expenses were \$1,611,500.16 and includes a US Bank Debt payment of \$175,981, County tax bill of \$918,537.25, and a school payment of \$452,623.22.

Selectperson Hall asked Baines and Polky about the ReVision bills. Hall said he was pretty sure the town paid on a quarterly basis for the amount of electricity generated. He noted the town had paid ReVision \$2,765 and when annualized it would be approximately \$11,000. He thought it seemed a little high the last quarter since the town should have generated a lot more energy because of the time of year. Hall thought there should be more kilowatt hours in the bank to draw on for the coming winter.

Polky: "There are some issues that we are working on that we need answers to." He also said they told him, "We are producing more energy at the Transfer Station than we have on our meters and they are charging us for it." Polky to ReVision: "We asked them why couldn't we put a meter up? (Their answer was) Yes." Polky said, "That was the answer we got."

Selectperson Hall asked, "How can we be producing more than the meters show?"

Polky: "That is what we asked."

Chair Bates: (There is a difference in) "What appears to be generating from the panels and what shows in ReVision bills. There seems to be some unknown quantity. Where is this extra electricity going?" "The way to solve this is for ReVision to put in an extra meter (which) would just be a sign of good faith that everything is being properly accounted for, and we don't think it is."

Polky: "That is right." "There is no way of measuring that extra that we are being charged for."

Selectperson Hall: "In the amount that is generated at the Transfer Station and the amount that is used at the Transfer Station, those are distinctive knowable numbers."

Polky and Baines: "No, that is the problem."

Selectperson Hall: "So, what they are saying is – you are generating more, but the more that you are generating is being used at the Transfer Station."

Polky: "They are saying something to that effect."

Chair Bates: "And that number is more than it has been in past years before the system went into place, and that is what caused Tara Elwell to be concerned. That all of a sudden, why? There is no new equipment that has gone into the Transfer Station so why should it be using more electricity?"

Selectperson Hall: "The question I have is – the number doesn't seem wildly out of line."

Polky: "It is because the number we get from ReVision is a gross number. We divide that by the percentage that we come up with when we first started doing business with them."

Selectperson Hall: "No, I added them all up and if you add up all the bills it comes \$2,765 and annualized that is \$11,000. That is a little more than I would expect our annual bill to be, but we don't produce an even amount of electricity through the year, so I don't think that just multiplying that number by four is the right way to do it. I think you would multiply that by 3.5 or something."

Chair Bates: "There are a few things going on in this calculation. As Tim said, the allocation of the electricity usage is done based on pre-solar panel percentages, so how much the transfer station used to use is the split that they get out of the total that ReVision says that we have used. The problem is that we can see exactly how much the town office has used because we have a meter there and we can see exactly how much the fire house has used because we have a meter there, and on all the other properties. But we do not have a meter that is measuring what the Transfer Station is using. So, we come up with that number by taking the total and subtracting all the other numbers that we do know because we have meters. It is that number that the

Transfer Station is using that is out of line. We are not talking about the percentages in the warrant. We are just talking about the actual usage and that is Tim's concern."

Selectperson Hall: "But it wouldn't be the amount that it used. It would be amount that was generated, less that used by all the other meters, because it is the amount that is generated. So theoretically, the difference between what we banked and what we think it is showing we used should explain the difference."

Polky: "The other thing that makes me curious is, we have been changing light fixtures to LED's left and right (in the town office, fire station, and salt shed) and our usage hasn't gone down. Polky stated that the meter readings do come from CMP, "But where I am going with this is, you (Hall) said that you totaled up the total usage for the town."

Selectperson Hall: "No, I totaled up the total we generated. I took the quarterly bills and the quarterly bills should reflect all that we generated. And if you multiply it by 4, it is more than I would expect us to be paying on an annual basis. But I would expect this last quarter to be a larger quarter than on average."

Chair Bates asked Selectperson Hall if he would look into this issue and try to figure it out. Selectperson Hall said he would.

TOWN MANAGER'S REPORT - Tim Polky reported the following: During the week of October 14th the power was out for eight to ten hours for some residents, but a number were without power for three to four days due to a storm. He said because there was not enough storm damage statewide to have a declaration, the town would not be able to recoup any funds. During the storm and power outage, there was a fire in Clark Island which destroyed a home. In the process of fighting the fire, two fire trucks collided on Clark Island Road.

Polky said the drivers of the trucks were two of the best drivers in the county. They did the best they could to avoid an accident but there was nothing they could do. The person in a car pulled over to the side and stopped and that was exactly the thing to do. He explained that it just happened the Owl's Head Fire truck was coming around the corner and St. George's tank truck was coming around the same corner and the car was there. The driver of the St. George tank truck, Keith Miller, had to make a decision, either go head on with the truck, take the car out, or go in the woods. Miller chose to go in the woods. Polky said in the process, the tail of the fire truck hit the Owl's Head truck and flipped it over. Luckily, no one was seriously hurt.

The St. George fire truck was in Vassalboro being inspected and Tim thought the damage was mostly cosmetic. But the Owl's Head's truck was probably totaled, and to replace the truck would cost around \$500,000. Polky does not know how the insurance company will handle the claims and the outcome since both towns have the same insurance company, Maine Municipal Association.

Polky stated that Knox County has some of the best mutual aid around including the people working on the scene. He noted there were only two towns in Knox County that didn't go to the

Clark Island fire. He also added that St. George has worked with Owl's Head over the years, and they have been one of St. George's closest mutual aid partners.

Chair Bates recommended that people, personally, do not try and fight fires. Call 9-1-1.

COMMITTEE REPORTS:

- Solid Waste and Recycling Committee - Selectperson Willey reported the following:

The SW&RC met on October 16, 2019 at 7:30 a.m. The committee discussed having a shredding event. Willey said they may receive a donation and if so, may hold the event, but the committee will be discussing this further.

There is a lot of compost still available at the Transfer Station, and there will be plenty in the spring.

The Paint Care program is going very well. There is an abundance of paint to be recycled and the paint does get reused. Polky said when you buy a gallon of paint, the manufacturer has already added in a 25-cent surcharge, and the manufacturer contracts with a company to dispose of it properly.

The SW&RC discussed working with the school, but they have not been able to coordinate anything yet.

- Planning Board: Chair Bates reported the Planning Board met at 7:00 p.m. on October 8, 2019 and took up the following items:

- The application at 7 Southern Avenue, Rackliff Island to build a pier, ramp and float had already been accepted as complete; satisfying section 15-C of the Shoreland Zoning ordinance, and with DEP and Army Corps of Engineers permits in hand, it was approved.
- An on-site visit was arranged for 4:00 p.m. on Monday, October 21 for an application at 55 Herman Road to build a ramp and float.
- The application at 130 Patten Point Road to renovate a single-family home was accepted as complete; satisfying section 12-C-1-c-i of the Shoreland Zoning ordinance; it was approved.
- The board voted to have the draft Sign Ordinance approved by the Select Board for a Public Hearing at 7:00 p.m. on November 12.

OLD BUSINESS:

- Property Sales and Assessments: Chair Bates distributed a handout regarding St. George Property Sales and Assessments, and it included sales data, statistical tests on recent sales ratios for the past four years, and notes on distinguishing distributions from different data samples. Chair Bates explained the statistical formulas and the results of the statistical tests.

Chair Bates: "According to the state, we are okay, but it is the underlying trend.

The State says as long as two numbers (one called the average sales ratio and the other is the quality rating) are within certain bounds, the town is okay." He noted that as long as average sales ratio was better than 70% and the quality ratio was less than 20%, then that was okay. But

Chair Bates thought there was an underlining trend in the numbers for the town which he felt the Board should be concerned about.

Chair Bates said the question is, "Do the houses that are above the median price have the same sales ratio as the houses which are less expensive? Ideally, with fair and equitable assessing, the sales ratio should be the same for the expensive homes as it is for the less expensive homes. The data indicates that more expensive homes are coming out differently than the less expensive homes."

He took the statistical test one step further, "What is the likelihood that we got that result? In 2017-2018, the likelihood that we got the results the same, is 1%. It is a very unusual result. Last year on the above and below the median price, it was more plausible that it was the same but the year before, it was fairly unlikely – 12% chance it was the same. He said we have been getting some results which suggest the assessing is getting a bit out of whack, and that is not good. Because everyone should be assessed such that if they were to sell their house, it should be close to the assessed value. You are always going to get some scatter in sale prices. The fact that we can see what appears to be two different curves (on the chart) tells us, we should be concerned. It is not something the state says we should worry about, but I think just for being true to ourselves and recognizing this, we have to look at that."

Selectperson Hall: "The implication is that the lower priced houses are not assessed high enough?"

Chair Bates: "It is the other way. The below median prices are assessed higher than they are selling at."

Selectperson Hall: "So, the assessed value of the property, divided by the selling price is higher. So, that the lower priced homes are assessed too high."

Chair Bates: "It is a sample. We cannot say absolutely there is a problem. It is a sample problem, but the question is what is the likelihood that both come out the same? Last year it was pretty improbable that it was the same. Could be but it is unlikely."

Selectperson Hall: "The numbers jump around so much year-to-year. In a short period of time, we will have another year's worth of data." Chair Bates said exactly.

Chair Bates: "We last did a revaluation in 2009 and it cost \$165,000. We have \$82,000 in the revaluation account, so one thing that comes away from this is, we should be thinking about doing a revaluation, sooner rather than later and at the moment we do not have enough in the account. I think it would be prudent in the coming budget to put aside more than we have been putting aside for the last few years. Maybe we should put aside \$20,000 to \$25,000. Our assessor's agent has said everything is fine; we meet the state guidelines. But the underlying data gives me pause. We need to stay on top of this, but I do think we need to put more money in the account for the revaluation and think about the 2021-time frame to send out an RFQ to assessing companies to see about reassessing the town."

Selectperson Willey: "When they do an assessment, how long does it take and what is in this \$165,000 for expenses? Why is it so expensive to do a revaluation?"

Polky: "It is basically time. It takes over a year to do it, and they look at every parcel and they look at it with current measurements."

Selectperson Hall: "You would like to see the one value at the 50% cumulative distribution. One is quite a bit less and other is a bit more."

Chair Bates: "Yes, you would. Part of the problem could be simply that in the time since the revaluation took place the more expensive homes have become more attractive so that they are selling at a higher price. That the market for second homes has picked up. It is not saying that the revaluation in 2009 was inaccurate, because things have changed - the financial crash and the consequences of that."

Polky: "Remember it is based on sales and there are times there are not that many sales."

Chair Bates: "When you do these statistical tests, the probabilistic calculation considers also the number of points. I think the residents could look at these numbers in another year and if it is still bad say, you have to do a revaluation. It is a lot of money to spend if you did not need to do it."

Selectperson Hall noted the correlation in 2015-16 was poor but it might have been poor for the opposite reason and unless it is graphed, you can't tell.

Selectperson Hall: "Our takeaway should be, this is concerning. It bears watching. Let's reserve in our next year budget for the revaluation and as soon as the 2018-2019 data is available, let's look at that one." The Select Board agreed.

NEW BUSINESS:

- Annual Review of Select Board Policy Manual, up to page 25: Chair Bates volunteered to take responsibility to document the corrections and changes, and to see that the manual is updated. The Board agreed. The policy manual was reviewed, and corrections were made.

- Sign Draft Ordinance Submitted by the Planning Board: Chair Bates explained the Planning Board had begun to address their goals and strategies outlined in the Comprehensive Plan. Their first goal was to work on a sign ordinance. He noted the proposed draft ordinance encompassed existing signs, seasonally and full time, and the intent was to keep things as they are to preserve the rural character of the town.

Chair Bates stated before the Planning Board could hold a public hearing and move forward with the proposed ordinance, the Select Board would need to review the draft and vote on it. Chair Bates explained that the draft ordinance had been already been reviewed and approved by the law office of Bernstein Shur in Portland.

A motion was made by Selectperson Hall, seconded by Sawyer, to allow the Planning Board to hold a public hearing and receive comments on the proposed sign ordinance. The vote was 5-0. Motion carried.

- Planning Board Appointments: The Planning Board submitted the name of Alan Letourneau who served as an alternate on the Board. Letourneau would replace full time member Brendan Chase, who recently resigned due to family issues. Chair Bates would like to thank Chase for his work on the Planning Board. Crystal Tarjick volunteered to replace Alan Letourneau as an alternate on the Planning Board.

A motion was made by Selectperson Elwell, seconded by Hall, to appoint Alan Letourneau as a full-time Planning Board member and Crystal Tarjick as an alternate. The vote was 5-0. The motion carried.

The Select Board signed the Certificates of Appointments (Title 30, MRSA 2253) on Alan Letourneau and Crystal Tarjick.

- National Prescription Opiate Litigation: Chair Bates reviewed the opiate litigation suit. If St. George wants to remain part of the litigation settlement, then the town does nothing. If the town wants to be excluded from the settlement, it must act by November 22, 2019 by completing the exclusion request form.

Chair Bates said he talked with MMA, Rep. Matlack, and he had received a call back from the Maine Attorney General's office. The AAG's office said to stay in the lawsuit unless the town was proposing to have St. George go on its own and make another case. Chair Bates did not know why Hope and Appleton would get 10 times more than St. George. Rep. Matlack had reviewed the numbers and the formula for distributing funds, and it looked as though it had not been straightened out. Chair Bates said he would continue to look into this, and Selectperson Hall recommended the town remain in the litigation suit.

A motion was made by Selectperson Hall, seconded by Elwell, that the town of St. George, Maine remain in the National Prescription Opiate Class Action lawsuit. The vote was 5-0. The motion carried.

- County Budget Draft Proposal for 2020-2021: Chair Bates and Selectperson Hall noted the town's contribution to the County budget had increased and Bates stated it was partly due to the town's valuation. Polky reminded the Board that when reviewing the budget, the county is on a calendar year and the town is on a fiscal year.

Chair Bates believed the question for all the towns is, "Do we want to have a county-wide planning office, or do we just want to have individual contracts?" He said he could see an advantage in having a county-wide planning office and Selectperson Hall thought it depended on how it worked. He asked, "Do we have to go through the county to use them, if it is a county membership versus if we sign up as a town, we deal with it directly?"

Selectperson Hall said he could see areas where it would make sense to work with the county but also saw a lot of areas where the town might want to deal directly and be free to do that. Polky said there were currently a lot of resources available at the county level. Selectperson Hall thought part of the reason the town was interested in joining Mid-Coast Economic Development District (MCEDD) was for the planning and ordinance capability the organization could provide the town. Polky thought another advantage to belonging to the MCEDD was in applying for and potentially receiving grant money.

The Select Board would like a review of the County budget. Chair Bates will contact Nick Lapham to see if he would be available to come to the Select Board's November 4th meeting and discuss the county budget.

At 8:18 p.m., on a motion by Selectperson Hall, seconded by Sawyer, it was voted 5-0 to adjourn the meeting.

Respectfully Submitted,

Marguerite R. Wilson
Select Board Recording Secretary