

**MINUTES OF THE SELECTMEN/EXECUTIVE
COMMITTEE MEETING
TOWN OF FRYE ISLAND
SEPTEMBER 22, 2007**

The meeting was conducted at the Town Community Center Meeting Room.

The Public Hearing meeting was called to order at 8:01 AM by John Nun.

SELECTMEN: John Nun, Grace Morin.

BIT EXECUTIVE COMMITTEE: Bruce Nisula, Joe Potts, Bob Miner, Debbie Anthony, John Nun, Grace Morin.

TOWN MANAGER: Wayne Fournier

TREASURER: Joe Potts

PUBLIC HEARING

2003 Version of the International Residential Code:

The CEO described Code and how it was generally being implemented by most towns in Maine. He pointed out that the 2006 version was the latest but that, since that version was not as widely used, the town could expect more contractors to be experienced in the 2003 version and he recommended it be adopted. There were no significant comments from the Board or the Public.

Final Hearing of the Proposed 2008 Budget:

Wayne presented a bottom line description of the proposed budget. He also presented the changes that had occurred since the last public hearing. This included reduction of CEO from full time as a town employee to a separate line item funded at 2 days per week during the open season. There were no comments on this. The Enterprise funds were not covered in detail but all fund budgets projected surpluses, with potential big unknowns in the Ferry operation. Bob Miner and Joe Potts suggested we keep the Town Birthday and Beach improvement fund requests as a separate warrant item and increase the Island Improvement Reserves to an even thousand to bring the total municipal expenditures close to the LD-1 limit so as not to adversely impact the budget in future years. All board members agreed; there were no significant comments on this item from the public.

The Public Hearing was closed by John Nun at 9:00 AM.

The regular Selectmen/EC meeting was called to order by John Nun at 9:00 AM.

PETITIONS FROM THE PUBLIC

None

OLD BUSINESS

Lot 273 Violation:

Bob Nault, Allison Zea's attorney presented their version of a proposed Consent Agreement. The draft agreement had not been coordinated with the CEO and had only been received by the Town Manager on 20 September, at which time he forwarded it to the Board members and the Town attorney so the Board members were unable to comment substantially on the proposed agreement. Wayne had received some comments from the Town attorney that did not agree with the Zea proposed agreement. The Zea attorney also provided some background information on the processes they went through to get to this point. There appeared to be confusion on their part as to which Permit process to follow. There was a Town CEO memo to them which directed them to query Maine DEP as to the correct process, but it appeared that there was an expensive false start under a Tier 3 Permit which was later changed to a Permit by Rule. The discussion appeared to be non-ending and further discussion was deferred until the meeting could be re-convened as a working meeting on Tuesday, 25 Sep 2007.

Minutes of Lot 273 Working Meeting on 25 Sep:

Lot owners in attendance were very concerned that the embankment restoration might be faulty and that there could be significant erosion by high spring waters especially when high waves would likely come several feet above the high water mark. Harry Zea described the construction process by which the DEP approved the design and inspected its progress. He also described how the bank was shored up but the bank restoration was not at issue by the Town since it was approved by DEP – the only violation considered by the Town (and apparently by DEP) was the lack of a re-vegetation plan for the 100 foot setback. The Board members were also concerned with re-vegetation of the cleared lot beyond the 100 foot setback but it was not clear that there was a violation in this area. It was pointed out by the CEO that he had not issued a building permit for the property. Mr. Nault and Mr. Zea were asked to work with the CEO, Town Manager and Town attorney to come to a common Consent Agreement. Mr. Zea asked if the town would issue him a permit that would allow him to construct the foundation and install the septic tank and field prior to island shutdown. The Board members generally agreed that they had no objections so long as immediate agreement on a Consent Agreement could be reached; but that issuance of a permit was up to the CEO, not the Board, that we had no authority to issue a permit. No decisions were made by the Board.

Project Updates

Toomey Appeal Update:

Wayne reported no change; the court still has to set a date for briefs.

Frye Island vs. State of Maine Update:

Wayne reported no change; the Town has appealed the Superior Court decision to the State Supreme Court.

Water System Upgrade:

Wayne reported that he is still working to set up a briefing by CDM on the water system study for the public at the Town Meeting on 6 Oct. Current plans are to install 4 inch pipe down High Point, 3 inch on Birch and Leisure Lane and possibly on Ridge Road with 2 inch on the remainder of the roads and circles. High Point is about 6600 feet long and estimates for materials (\$30K) and labor (2 contractors @\$36.4K) and E.J. Prescott support for the piping installation (\$7K) total approximately \$75K. Total materials for the main roads approximate \$105-110K and total labor approximates \$120-150K. These numbers are still vague depending on a lot of variables. Bruce Nisula raised the question about a possible medical impact due to the increasing the size of the distribution pipes. There will be a lot of water stored in the distribution pipes and during the off season periods when the water flow is low, bacteria might grow. Wayne was asked to raise this concern with CDM to see if they felt that there may be a problem with the larger pipe sizes.

Long Beach Marina Dredging:

Wayne reported that the dredging permit application is expected to be approved next week.

East Pump House:

The building is up; roofing has been completed. Installation of steel siding delayed for lack of materials. Work has started on the water connections and electrical is expected to start 29 Sep 07.

Pending Permits/Applications:

Wayne stated that the town still has only two pending permits; 1- Marina dredging, noted above, and 2 – Permit to operate the Transfer Station.

Winter Office:

Work has started to prepare the ferry trailer as the Town winter office. Plans are to move as few files into the trailer as possible with other files being stored off and on island depending on possible requirements for access to them. The application to the state for total absentee voting in the November election was turned down so the ferry trailer will be the designated voting location.

Fee Complaints from David O'Grady Lot # 1112:

Wayne reported that briefs have been filed with the superior court. The Town asked for dismissal but that is not likely to be approved.

Store Lease – Current lease expires Dec 31, 2007:

Wayne has talked to the Russo's; they intend to renew the lease.

Other Old Business:

Parking in Office Store Area:

Wayne reported that DPW along with contractor, Jeff Snow, can get approximately 12 spaces and separate entrance/exit for approximately \$4K; an additional 6 or more spaces behind Smoky Bear, which would be excellent for golf carts, for an additional \$2.2K.

MOTION by Nun to authorize expenditure of up to \$6500 from the Island Improvement Fund for construction of 2 parking areas; second by Morin – UNANIMOUS.

Shoreland Zoning DEP Guidelines:

Since the Planning Board was not able to agree on an Ordinance to adopt the new guidelines the town will not be able to act by the 1 Jul 2008 deadline set by the State. Wayne checked on the state requirements and was told that the deadline can be extended some unspecified short time until a Town Meeting can be held. Wayne will draft a letter from the town to DEP requesting the extension; he will present the draft to the Planning Board at their next meeting.

Major Repairs/Capitol Projects List:

Wayne provided the list of proposed Public Works Major Capitol Projects that had been requested at the last meeting. The list is attached for information.

NEW BUSINESS

Act on Items presented at Public Hearing:

2003 Version of the International Residential Code:

MOTION by Nun to place a Warrant Article for the Town Meeting to adopt the 2003 Version of the International Residential Code; second by Morin – UNANIMOUS.

Final Hearing of the 2008 Budget:

Joe Potts recommended that we separate the two Recreation items (\$7000 for Town Birthday and \$2000 for Beach Improvements) into Warrant Articles separate from the Town Budget Article and that any remaining amount rounded to the nearest thousand below the LD-1 limit be placed in the Island Capitol Reserve.

MOTION by Nun to place the current proposed 2008 budget, minus the two Recreation items noted above, and modified to place the delta between the current proposed budget and the LD-1 limit, rounded to the nearest thousand, into the Capital Reserve Fund; and to place the two Recreation items noted

above into three separate Warrants for the next Town meeting; second by Morin – UNANIMOUS.

First Review of Warrant for the October 6th Town Meeting:

The following changes to the draft Warrant were recommended:

- Add Mark Thomas to Article 3.
- Change Article 5 to reflect the modification noted above.
- Change Article 13 to read ~~the~~ all designated ~~Capital Reserve accounts~~ funds....

Report on the Lake Level:

Wayne reported that the level is dropping fast now, 2 inches in the past 3-4 days; forecast to be at 263.1 feet by end of September, then drop faster in October ending up at 261.9 feet at end of October. He plans on accommodating trucks until the lake reaches 262 feet; this has never been tried before but is theoretically possible. His concern is emergency vehicles. The goal in early November is 261 feet and then start bringing the lake back up.

Purchase of Dump Truck:

The price of the available dump truck has increased from the \$8145 previously approved to approximately \$10500.

MOTION by Nun to authorize expenditure of up to \$11000 from DOT grant for 2007 lease to buy installment on purchase of the new dump truck; second by Morin – UNANIMOUS.

Trailer for Pontoon Boat:

Wayne reported that the purchase of a trailer for the town pontoon boat is no longer required; that the trailer previously owned by Don Hadley has been made available by the new owner at no cost to the town.

Candidates for Office:

Wayne reported that there is one candidate for each vacancy to be elected at the town meeting:

Selectmen:

1 year term – Phil Perry

3 year term – Mark Thomas

BIT Representative

Bruce Nisula

SAD 6 School Board

Oleg Svetlichny

To See if the Board will approve the Fund Balance Policy nominated by Treasurer:

MOTION by Joe Potts that the Town of Frye Island establish a Fund Balance Policy to maintain an amount in the Unreserved-Undesignated Fund Balance equal to at least three-twelfths of the annual expenditures of the General Fund operation of the Town, with the closing of the current shortfall to be accomplished by the end of 2016; second by Nun – UNANIMOUS.

To See if the BOS/EC will adopt a separate permit fee for new Docks. CEO recommends 0.05 to 0.10 per sq. ft.:

MOTION by Nun to adopt a Dock Permit Fee for new docks of \$10, effective today, 22 Sep 2007; second by Morin – UNANIMOUS.

Approve Homestead Exemption Application for Carlton Hommel, 68 Leisure Lane:

Application was signed by John Nun and Grace Morin.

Approve Quitclaim Deed for 83 Leisure Lane to discharge the Tax Liens, which have been Paid, but not properly recorded at the Registry:

The Quitclaim Deed was signed by John Nun and Grace Morin.

Resolution of matured CD's held by Merrill Lynch (\$284,000 Matured this week; an additional \$110,000 matures in October):

Wayne recommended we take action now before interest rates drop again. Joe Potts recommended that the Town Manager & Treasurer have authority to re-invest maturing CD's without BOS/EC approval, that they inform the Board of the intent and we can object if we feel necessary. New investments will still require Board approval.

MOTION by Nun to authorize, as a matter of Policy, the Town Manager to re-invest maturing CD's without BOS/EC approval, but that he inform the BOS/EC of his intent to do so prior to doing so; second by Morin – UNANIMOUS.

Establish Winter Meeting Dates:

The following dates were established for BOS/EC meetings, all at 09:00 AM, to be accommodated by teleconference:

15 December 2007

16 February 2008

5 April 2008

In order to have a quorum, the meeting scheduled for 20 October was rescheduled for 09:00 AM on Saturday, 13 October 2007.

Other New Business:

Outstanding Water Hookup Fee:

Wayne said he would talk to the owner and try to resolve the issue.

Clearing of Town Property:

Bruce Nisula verified that the Golf Course concurred with the clearing and the issue is closed.

Tax Liens:

Wayne has signed out tax liens on 26 properties.

REVIEW and APPROVALS

Meeting Minutes:

MOTION by Nun to approve minutes of 7 Sep 07 Board meeting, previously provided; seconded by Morin – UNANIMOUS.

Treasurers Report/Financials:

Wayne reported the ferry is projecting \$15K surplus for this year.

Golf Report:

The next Golf Committee meeting is scheduled for Sunday, 23 Sep 2007.

Marina Report:

Joe Potts said the minutes of the Sep 07 meeting are now on line.

MOTION by Nun to adjourn at 12:40 PM, seconded by Morin – UNANIMOUS.

Respectfully submitted,
John B. Nun

Fund Balance Restoration

Year	Description	Amount	Yrs	Balance	Ann. Exp.	3.0 Mon
1999	Fund Balance Year-end			220,841		
2000	Annual Gain	46,811				
	Fund Balance Year-end			267,652		
2001	Annual Gain	30,259				
	Fund Balance Year-end			297,911		
2002	Annual Gain	13,605				
	Fund Balance Year-end			311,516		
2003	Annual Gain	123,879				
	Fund Balance Year-end			435,395		
2004	Ferry Entrance Road Widening	(11,000)				
	Annual Gain	13,362				
	Fund Balance Year-end			437,757		
2005	8" Water Line Construction	(75,000)				
	Willis Property Purchase	(275,000)				
	Annual Gain	52,007				
	Fund Balance Year-end			139,764		
2006	Willis Property Repayment	20,000				
	Annual Gain	98,297				
	Fund Balance Year-end			258,061	1,687,184	(163,735)
2007	Willis Property Repayment	20,000	1			
	Annual Gain	5,500				
	Fund Balance Year-end			283,561	1,687,184	(138,235)
2008	Willis Property Repayment	10,000	2			
	Annual Gain	5,500				
	Fund Balance Year-end			299,061	1,687,184	(122,735)
2009	Willis Property Repayment	10,000	3			
	Annual Gain	5,500				
	Fund Balance Year-end			314,561	1,687,184	(107,235)
2010	Willis Property Repayment	10,000	4			
	Annual Gain	5,500				
	Fund Balance Year-end			330,061	1,687,184	(91,735)

Fund Balance Restoration

Year	Description	Amount	Yrs	Balance	Ann. Exp.	3.0 Mon
2011	Willis Property Repayment	10,000	5			
	Annual Gain	5,500				
	Fund Balance Year-end			345,561	1,687,184	(76,235)
2012	Willis Property Repayment	10,000	6			
	Annual Gain	5,500				
	Fund Balance Year-end			361,061	1,687,184	(60,735)
2013	Willis Property Repayment	10,000	7			
	Annual Gain	5,500				
	Fund Balance Year-end			376,561	1,687,184	(45,235)
2014	Willis Property Repayment	10,000	8			
	Annual Gain	5,500				
	Fund Balance Year-end			392,061	1,687,184	(29,735)
2015	Willis Property Repayment	10,000	9			
	Annual Gain	5,500				
	Fund Balance Year-end			407,561	1,687,184	(14,235)
2016	Willis Property Repayment	10,000	10			
	Annual Gain	5,500				
	Fund Balance Year-end			423,061	1,687,184	1,265

Note: [1] Amounts for years 2007-2016 are estimated amounts, to be updated with actual amounts

[2] The following motion was passed at the 9/22/07 BoS/EC meeting:

“Moved that the Town of Frye Island establish a Fund Balance Policy to maintain an amount in the Unreserved-Undesignated Fund Balance equal to at least three-twelfths of the annual expenditures of the General Fund operation of the Town, with the closing of the current shortfall to be accomplished by the end of 2016.”

FRYE ISLAND PUBLIC WORKS DEPARTMENT

CAPITOL PROJECTS

OFFICE ROOF REPLACEMENT, REPAIR DORMER AND REPLACE DORMER
WINDOWS, \$12,000

HANDICAP ACCESSIBILITY FOR TOWN OFFICE AND BATHROOM \$50,000

PAINT, OFFICE, OLD FIRE BARN, COMMUNITY CENTER, \$18,000

SIDING REPAIRS, COMMUNITY CENTER, \$2000.

REPLACE KITCHEN AND APPLIANCES, COMMUNITY CENTER, \$16,000

REPLACE FLOOR TEEN ROOM, \$8000.00

PAINT FERRY GANTRY'S, \$6000.

REPLACE POOL AND POOL DECK, \$50,000

TRANSFER STATION, INSTALL TWO, 30 YARD COMPACTORS ONE
CARDBOARD AND ONE FOR TRASH, WITH CONCRETE SLABS, INSTALL
RETAINING WALLS AND SLABS FOR DEMO AND METAL DUMPSTERS,
BUILD STORAGE GARAGE , INSTALL ELECTRIC POWER. \$145,000

REPLACE COMMUNITY CENTER TENNIS COURTS, \$150,000