

**MINUTES OF THE SELECTMEN/EXECUTIVE
COMMITTEE MEETING
TOWN OF FRYE ISLAND
FEBRUARY 16, 2008**

The meeting was conducted by teleconference.

The meeting was called to order at 9:07 AM by John Nun.

SELECTMEN: John Nun, Mark Thomas, Phil Perry.

BIT EXECUTIVE COMMITTEE: Bruce Nisula, Joe Potts, Bob Miner, Debbie Anthony, John Nun, Mark Thomas, Phil Perry.

TOWN MANAGER: Wayne Fournier

TREASURER: Joe Potts

PUBLIC: Dave Bond, Dave O'Grady, Derek Yates.

PETITIONS FROM THE PUBLIC

Request to move Old Business, Item 4, "Final Review of the Permit Fee Schedule" to the front to allow members of the public to participate and sign off earlier – approved.

OLD BUSINESS

Final Review of the "Permit Fee Schedule":

Wayne presented the draft Fee Schedule that had been discussed at the Dec 07 meeting. Significant changes included:

- Reduce Bldg Permit fees for living/non-living space to \$1.00/0.50 per square foot;
- Change electrical switches, etc from per device to \$.020/0.30 per square foot for residential/commercial;
- Eliminated fees for fences, signs, satellite dishes;
- Reduced plumbing fee from \$20.00 to 15.00 per fixture
- Adding other fee structures (Code Enforcement, Misc, Golf memberships and Yacht Club membership and slip fees) for completeness in one document.

Mark Thomas pointed out an editorial error in the reduced plumbing fee in the document; Wayne to correct prior to publishing.

Bob Miner questioned the Septic Waste Permit fee of \$5.00. Wayne explained that the town really needed to know when septic tanks were last cleaned and inspected. The fee is paid by the hauler at the time he reports the pumping to the CEO.

Dave O'Grady questioned: "Why the "dramatic" fees of \$1,000.00 for Road Usage and \$4,000.00 for Water Hookup". He questioned whether these should be Permit Fees, Impact Fees, or Taxes. Mark Thomas said he felt the questions were reasonable. There was a discussion of how these fees were arrived at and why they were what they were. Bruce Nisula stated that Municipal Officers are empowered to set fees and charges in accordance with Title 30-A, Section 5405, Revenues of the Maine State Statutes.

Derek Yates asked if Road Usage fees applied to renovations. Wayne replied they do not because renovations normally involve little, if any heavy load traffic.

As to Water Hook-up fees, Wayne said that the town cost for the hookup itself was running \$485-500 per. The remaining \$3500 was being placed in the Water Improvement Reserve to pay a pro-rated share of the system expansion to handle the additional 250 homes. The remainder of the expansion cost is tagged against the additional tax revenue generated by an increase in assessed evaluation of developed lots that was approved by the Town Voters in 2006.

MOTION by Mark Thomas to reduce Water Hook-up fees from \$4000 to \$500. There being no second the motion died.

MOTION by Mark Thomas to reduce the Road Usage Fee from \$1000 to \$500, second by Phil Perry. After short discussion MOTION was withdrawn for further discussions at the April 08 meeting. Phil Perry requested Wayne get a Town attorney and/or MMA (may only involve Wayne resurrecting past discussions with MMA and attorneys) reading on the legalities involved in setting the amounts of these fees.

Project Updates: See Attachment A, Manager's Report, for details.

- **Toomey Appeal:** The Court heard oral arguments from the attorneys on 17 Jan, no word on decision.
- **Frye Island vs State of Maine:** The Supreme Court heard oral arguments from the attorneys on 17 Jan and denied our appeal. The report is available on the island web page.
- **Water System Upgrade:** Wayne provided a general plan. Dave Bond agreed with starting on High Point as the most critical link. John Nun agreed with High Point because of ability to do in logical segments and least impact on traffic. There appears to be concern on the Board over size of lines, especially major trunks; we may need another meeting with CDM to resolve.

- **Marina Dredging:** Done for now; more to be done to reduce future silting.
- **East Pump House:** Minor items to complete for spring operation.
- **David O'Grady Fee Complaint:** No change.
- **Derek Yates Fee Complaint:** No change.
- **Island Ferry Gantry Beam:** No change.
- **Winter Office:**

Consent Agreement for 273 Leisure Lane:

Wayne provided a final Administrative Consent Agreement for Board approval. The BOS approved the agreement and the letter of transmission which requests closure by 31 May 08.

Approve Invoice for Marina Dredging:

MOTION by Mark Thomas to appropriate \$19,462.50 from the Marina Equity Reserve and Island Improvement Reserve, based on the 65/51 ratio of slips respectively, to pay the dredging invoice, second by Phil Perry – UNANIMOUS.

MOTION by Mark Thomas to appropriate up to \$6,000 from the Marina Equity Reserve and Island Improvement Reserve, based on the 65/51 ratio of slips respectively, to prepare & file a permit to extend the jetty, second by Phil Perry – UNANIMOUS.

Other Old Business: None.

NEW BUSINESS

Municipal Fee Schedule:

See above discussion in Old Business. The Board approved the Municipal fee schedule for publishing on the Web site.

Island Police/Constable Expectations:

Wayne has appointed Kenny Thurston as part-time Town constable.

Paul & Lorraine Lyons Abatement Application:

Wayne has talked to the Lyons. The application appears to be based on interpretation of fair market value of a partially completed house. Mark Thomas recommended that we address this issue at the first meeting after the island opens in 08, to be settled NLT 30 Jun 08, all agreed. Mark asked Wayne if the effective date of the Grand List could be moved to a later date after the island had opened for business; Wayne agreed to look into it.

Great Northern Dock Proposal for New Docks in Long Beach Marina:

Wayne had received a proposal from Great Northern for additional docks at the east end of the Long Beach Marina requested by the Marina Committee. An extension on the beach side would accommodate 10 PWC and an extension on the other side would accommodate up to 7 normal boats.

MOTION by Mark Thomas to approve up to \$21,000 for dock construction from the Island Improvement Fund, second by Phil Perry – UNANIMOUS.

Purchase additional CDs per recommendation of Treasurer:

Joe Potts reported that the Town had accrued approximately \$690K in savings with an additional \$330K in 08 inflow. He recommended moving \$250K or more into Merrill Lynch, callable at no penalty, CDs with maturity probably greater than 1 year to plug maturity date holes in our current holdings.

MOTION by Joe Potts to move \$300K from savings to additional ML CDs, second by Phil Perry – UNANIMOUS.

Election of Town Officers:

- **NOMINATION** by Phil Perry for John Nun to be First Selectman for 08, second by Mark Thomas – UNANIMOUS. John agreed to also act as BOS secretary.
- **NOMINATION** by Joe Potts for Bruce Nisula to be Chairman of the BIT for 08, second by Debbie Anthony – UNANIMOUS.

Complimentary ferry tickets for FD training:

This was a continued item. Mark Thomas said that he felt that complimentary ferry tickets were reasonable for elected, otherwise unpaid, officials but not for other volunteer groups. John Nun said that volunteers were already on the island and did not incur ferry costs specifically in order to attend training and that the current policy provides for tickets for all island official business travel. The Board members agreed to close out the issue.

Planning Board Items:

Wayne has passed Board concerns to the Planning Board in the following areas that need Planning Board action; the Planning Board should be prepared to address these in time to present any recommended ordinances to the voters at the October 2008 Town meeting.

- **ATV Ordinance:**
- **Shoreland Zoning Ordinance (specifically, docks):**
- **Interior Tree Cutting:**
- **Beach & Marina Ordinances vs policies:**

FI Road Inventory:

Wayne reported that the auditors look at the roads as Town fixed assets. Joe noted that the roads are owned by FII and are leased to the Town; should not be Town fixed assets. Wayne will check into this.

Budget Process:

Wayne explained the annual formal budget process. Phil Perry asked how the BOS/BIT could help this process. Wayne's response was the he would

like earlier inputs. The BOS/BIT Executive Committee acts in the capacity of Budget Committee during the budget preparation cycle. The majority of the advance work is done by the department and activity heads working with Wayne, but Wayne directly works items like legal, CEO, Treasurer, etc and earlier guidance might be useful here. Early input from the Planning Board, particularly in the Comprehensive Plan would be very helpful. Joe felt that a new EXCEL format including TRIO output would make the process a lot easier.

Review 2008 Ferry Schedule:

The ferry will operate from 25 Apr 08 to 3 Nov 08. The daily schedule is a repeat of the 07 schedule with high season running from 20 Jun to 8 Sep.

Approve Bid of \$500 from Ken Thurston for old York Rake:

John Nun said that he felt the cost of going out for bids would exceed any possible extra return and that there would not likely be any other bidders anyway. MOTION by John Nun to accept the bid of \$500 for the old York Rake from Ken Thurston, second by Phil Perry; UNANIMOUS.

Other New Business:

FII Lease:

Joe Potts reported that Calvin had not paid FII (\$28K in two installments) for the 1st half of the lease pending a potential privacy lot sale in July. He recommended that the Town put that \$28K in the Island Improvement Reserve pending the lot sale. Phil Perry said that we should consider using the funds for Community Center floor and kitchen repairs and improvements.

Golf Club Liquor License:

Wayne said that the Town may now meet conditions where a public hearing may not be required to renew the liquor license. He is checking the requirement. If one is required it will be scheduled with the next BOS meeting on 5 Apr 08.

Winter Newsletter:

John Nun, Joe Potts and Bruce Nisula will provide inputs to Wayne for the Winter Newsletter. Wayne will post the newsletter to the Town webpage and will only mail the newsletter to those islanders not having e-mail addresses.

Winter BOS/EXCOM Meetings:

Wayne reported that he had just received an e-mail from Tim Toomey asking when this meeting would be held. Wayne received it too late to respond due to power outage at the trailer. Date-time of the meeting was posted on the Town web page but apparently Mr. Toomey missed that. It was agreed that posting on the web page was the only practical way of notifying residents of off-season meetings and that individual notifications would not be sent out.

REVIEWS and REPORTS

2007 Year End Financial Report:

Wayne reported a \$65K – 66K surplus which will go into the Fund Balance account. On the expense side, the admin bldg roof repairs (\$10,982) were paid from reserves; admin was almost \$2K underspent including Treasurer compensation which will be moved to professional services. DPW General was underspent by approximately \$5900; Roads were over by almost \$9,000 but some of this will be covered by the DOT grant; Water was underspent by more than \$25K. Police and Safety under ran about \$3,900. Fire was \$20K over but this was really a bookkeeping catch up on the Fire Reserve that will balance out. Recreation revenue was down (no ceramics) but expenses were down almost \$2,200 still leaving a positive balance for the year. Non-municipal (SAD-6) under ran about \$17K but Comberland County over ran about \$3K. There is a guessing game here on the 2nd half year taxes to those organizations and the budget slightly overestimated projections. The Ferry operation generated about \$20K; the Golf Club about \$27K and the Yacht Club about \$16K Equity and \$64K Rental (Island Reserve).

Meeting Minutes:

MOTION by John Nun to approve minutes of 16 Dec 07 BOS/EXCOM meeting, previously provided; second by Phil Perry – UNANIMOUS.

Treasurers Report:

Joe had separately provided the EXCOM with spreadsheets of the Town February 08 financials. Those are available but are not included in these minutes.

Joe reported that account reconciliation is still not being done regularly or timely – Merrill Lynch accounts look OK; Gorham checking was off by \$1K and Gorham savings by \$44K (our favor). Job description set up for accountant last summer set 10 days as an objective to do reconciliations. He and Wayne are still working this with Calvin.

Joe is trying to use the Town auditors to influence accounting in the area of the Enterprise Funds. TRIO handles undesignated fund balances for the Town and for the Enterprise Funds. Joe needs guidance (not direction) from the auditors on how to handle this. He will try to set up a meeting in May 2008 to address this issue.

Golf Report:

Bruce reported on the 2007 year-end financials; cash flow was positive for the year. The tractor will be paid off. Bruce provided the recommended 2008 Golf fees schedule with the Feb 08 Golf Club meeting minutes. Mark Thomas announced that the Golf Club will not sponsor the Labor Day dinner dance in 2008 but will continue to provide bar support.

MOTION by Mark Thomas to transfer \$20K from the Golf Operations Reserve to the Golf Equity Reserve, second by John Nun – UNANIMOUS.

MOTION by John Nun to approve the 2008 Golf Club fees as presented in the Feb 08 minutes, second by Mark Thomas – UNANIMOUS.

MOTION by John Nun to authorize expenditures of \$5470 from the Golf Equity Reserve to complete purchase of the tractor and up to \$15K from the Golf Operations Reserve to rebuild the tees for holes #1 and #7, second by Mark Thomas – UNANIMOUS.

MOTION by Mark Thomas to approve the changes to the Golf Operations Policy handbook as recommended by the Golf Committee in their Minutes of the Meeting of 9 Feb 08, seconded by John Nun – UNANIMOUS.

Marina Report: None

Executive Session:

MOTION by John Nun to go to Executive Session according to MRSA 1 Paragraph 405 (6) (A) to discuss personnel issues at 1318 PM, second by Phil Perry - UNANIMOUS.

Returned from Executive Session 1337 PM– discussed personnel issues as authorized under MRSA 1 Paragraph 405 (6) (A).

MOTION by John Nun to adjourn at 1340 PM, seconded by Phil Perry – UNANIMOUS.

Respectfully submitted,
John B. Nun
First Selectman

Attachment – A. Town Manager Report

Toomey Appeal: Oral arguments were held before the Supreme Court Justices on January 17th. We have not received their decision as yet.

Frye Island vs. The State of Maine: Oral arguments were held before the Supreme Court Justices on January 17th. We received word on 2/07/08 that the Supreme Court had denied our appeal. The document has been distributed to the Board.

1. Water System Upgrade: Camp Dresser and McKee has completed its initial review of our system and made their recommendations for improvements. Their report was presented at the October '07 Town Meeting. We have received component proposals on labor and materials to replace and upgrade the distribution system based on CDM's recommendations. We will need to make decisions on the following:
 - Does the Town want a full engineering plan at a cost of \$65k to \$75k or will the Town purchase all materials and install the new system using subcontractors under Town oversight?
 - How will we phase the project?
 - How will the project / phases be financed?
 - When is the best time to do the phases?
 - What size replacement lines should we use?

I would suggest that we plan to commence replacing the section of piping down High Point Drive beginning at the intersection of Independence and going to the intersection at Birch and Ridge Roads. I realize that CDM suggested starting with Ridge Road because of the breaks we have had in the system and if we were going to contract the complete job I would agree but I think the consensus is to do the work ourselves and I think a less inhabited road would be a better start for us to "practice" on. This would allow us to identify the logistic and installation issues and determine the time requirements to perform this work so that we can prepare a plan for the rest of the Island. I would plan to start the work right after Labor Day and work until the weather or the completion of the job shuts it down. Estimated are that we could finish this in about 30 days but we don't know this for sure. This schedule would allow us to purchase and stage the materials that are needed and plan our labor through the summer. I think if we try to do anything before the fall we would have to rush and would be more likely to overlook something which could result in more costs and /or much more congestion for the Islanders.

2. East Pump House: The new pump house is essentially complete. The structure is done, all the equipment has been relocated and installed, the electrical work is 99% complete, the new generator has been installed, the

inlet piping from the lake has been re-routed and the discharge piping has been connected. There is still work to be done on the control system, which will be completed in the spring, but this does not prevent operation of the equipment. *No Change*

3. Marina Dredging: The dredging project was suspended for the winter because of the weather. It is essentially complete but does need a little more clean-up around the edges. We have been assured that this will be done as soon as the weather permits. While reviewing the dredging project during the DEP application process, we asked Bill Bullard, the DEP project manager about reworking the stone jetty that extends into the lake on the north side of the Marina entrance. His comment at the time was that it would delay the dredging permit application and we chances of being allowed to do anything with the jetty were remote. We still feel that it would be a good idea and would reduce the amount of sand that washes into the channel and thereby reduce the frequency that we would have to dredge. Recent correspondence indicates that we might have a chance of getting the jetty rework approved. We have an estimate of \$4,000 to \$6,000 from Main-Land Development to prepare the permit application. This requires a tier 3 permit.
4. David O'Grady Fee Complaint: David O'Grady filed a complaint in Superior Court claiming that our municipal building fees were excessive and illegal. Written brief have been submitted to the court. We are awaiting further instructions from the Court. *There is no change since the last meeting.*
5. Derek Yates Fee Complaint: Mr. Yates filed a complaint in the Cumberland County Superior Court last year that was dismissed by the Court for failure to serve the Town in the required time. Mr. Yates was able to convince the Court that he had filed the complaint properly and the Court has essentially reset the clocks allowing Mr. Yates to begin the process anew. We have asked the Court to consider the complaints concurrently as they are basically the same. *We have no further information at this time.*
6. Island Gantry Cross Beam: When the ferry gantry on the Island was being painted it was discovered that the horizontal cross beam that goes between the vertical uprights of the gantry was twisted. This beam is underwater so we had the divers that were working on the haul-out facility inspect and video the beam and its connections to the verticals. I am told that when the gantry was being installed the large vertical legs of the gantry could not be driven into the ground as far as was intended so this beam was attached as an after thought to keep the bottom of these legs from walking. There are two pockets that are attached to the vertical legs and the beam fits into these pockets and is attached to the pockets. The

video revealed that the pockets had been damaged. The beam itself appears to be fine but the pocket on the south leg is almost torn off. The one on the north leg isn't bad but does show some damage. Again, we don't know exactly what caused this but a good guess is that when the ramp fell into the water it hit the beam and caused the damage. The beam falling into the water has occurred a number of times so it is hard to say if it is the result of one event or if it is cumulative. If I had to guess I would guess that it happen this past season when the horn on the ramp slipped off the ferry with a dump truck on it. By some miracle the truck didn't go into the lake but the south side of the ramp seemed to go in pretty hard. We have made adjustments to make sure that the Ramp horns are positioned better on the ferries. I have received a plan from the engineer to make the repair. Because this is under water we will need the divers again. We have spoken with Divers Down again to get a price on the repair. I think this will probably be a spring project. It shouldn't have any impact on starting the ferries or opening the Island. *No Change.*