

**MINUTES OF THE SELECTMEN/EXECUTIVE
COMMITTEE MEETING
TOWN OF FRYE ISLAND
JULY 9, 2008**

The meeting was conducted in the town community center.

The meeting was called to order at 4:05 PM by John Nun.

SELECTMEN: John Nun, Mark Thomas, Phil Perry.

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

TOWN MANAGER: Wayne Fournier

TREASURER: Joe Potts

PETITIONS FROM THE PUBLIC

None

OLD BUSINESS

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

1. O'Grady/Yates Fee Complaints:

See Attachment A; status of further appeals unknown.

2. Lot 273 Consent Agreement:

See Attachment A. The Consent Agreement has been signed by all parties. Wayne has received \$18K in checks, \$14K still due (includes past due ferry fees; funds are being placed in escrow for disbursement. One check was marked "payment in full", Wayne is holding. Joe Potts recommended Wayne check with town attorney on whether he should hold or deposit the check.

3. Discretionary Ferry Funding Program:

See Attachment A. No change.

4. Water Distribution System:

See Attachment A. Materials for beginning of High Point are on hand. John MOTION by Phil Perry to include a truck fill hydrant on High Point near Community Center at an approximate cost of \$750, second by John Nun – UNANIMOUS.

5. Ferry Service/Fuel Costs:

See Attachment A and later budget discussion.

6. Other Old Business:

Assessor's Agent:

The Town still has no appointed Assessor's Agent. Richard Main has declined an offer; Wayne still has three candidates to approach. Richard Main suggested to Wayne that we defer any significant assessment changes until the current economic hiatus cools down, probably a year or two, Board agreed. MOTION by John Nun to appoint Paul White as the Assessor's Agent through 31 December 2008, second by Phil Perry – UNANIMOUS.

NEW BUSINESS

2007 Annual Audit:

See Attachment A. Audit is essentially complete; no action required.

Approve/disapprove Placement of Markers in Quail Circle Approach:

The approach to Quail Circle had been surveyed by Maine Navigation Safety (Thurston), Marina Committee and one or more interested (negative) Quail Circle area residents. State recommended 3 sets of red/green navigation markers to avoid submerged rock hazards in the approach. Marina Committee agreed with Quail Circle residents to a compromise approach of not less than 2 sets of markers. A few Quail circle residents wanted the Board to reduce this number. In addition they cited safety concerns with speeding boats (less than 200 feet from shorelines) in the approach channel indicating a need for a "No Wake" speed hazard marker at the entrance to the approach. Long, heated discussion followed and John Nun recommended tabling the item until next BOS meeting for attendance by Marina Committee, who was unable to attend this meeting. Item was tabled.

Lightning Damage:

Costs for repairs for lightning damage to the water system electronics is mounting as more storms keep coming. Insurance should cover all but \$5K deductible per claim.

MOTION by John Nun to authorize expenditure of up to \$4600 from the Island Improvement Reserve to repair lightning damage, second by Phil Perry – UNANIMOUS.

Vandalism on the Golf Course:

Person(s) donated \$2K to the Golf Reserve (TBD) as restitution for vandalism damages. The need for vandalism ordinance was discussed. Wayne to check for a generic ordinance.

Meeting with Raymond Selectmen:

Wayne and Steve Persson had met with Raymond Town Manager and Fire Chief. They are interested in setting up a meeting between the town selectmen prior to Labor Day to discuss possible mutual town safety efforts.

New Carpet for Chapel:

New carpet has been installed in the chapel. John Crosby will be cleaning up the junk area in the next week or so.

Report on Conclusions Reached with PWD on Septic System Records:

Small discrepancies have been cleaned up. It was noted that PWD allows sharing of septic systems. This could lead to more dwellings being included in the 750 court ordered septic system maximum. Joe Potts had talked to Planning Board members about a 1:1 system vs dwelling ordinance; Wayne to follow up.

Labor Department Inspection:

State inspection was performed on 2 July. We do not have report yet but there will likely be infractions, some of which could carry fines for the town. The last inspection was done in 2000.

Ferry Tickets – Islanders distributing Discount Tickets to Renters and Day Workers:

Need for an ordinance to control the problem was discussed, Wayne to bring up to Planning Board.

Quitclaim Deed to Release Old Tax Lien on Lot 391:

John Nun and Phil Perry signed the Quitclaim Deed to release Lot 391.

Other New Business:

Transfer Station Reserve:

John Crosby requested that the BOS consider setting up a Transfer Station Reserve from fees taken in. BOS was not in favor of another separate reserve and agreed to include reserve expenditures for the transfer station in the normal budget process.

Community Center:

MOTION by Phil Perry for the Town to accept a gift of an electronic organ for the community center, second by Nun – UNANIMOUS.

MOTION by Joe Potts for the Town to accept approximately \$28K from FII in lieu of 2008 lease payment, to be placed in the Island Improvement Reserve, potentially for Community Center repairs and major maintenance, second by John Nun – UNANIMOUS.

Anniversary Fireworks:

Wayne reported that the Anniversary fireworks cost \$7K; there were adequate funds to pay this from donations.

REVIEWS and REPORTS

Meeting Minutes:

MOTION by John Nun to approve minutes of 13 and 14 June 08 BOS/EXCOM meetings, previously provided, second by Phil Perry – UNANIMOUS.

John Nun to retransmit 13, 14 June minutes to Bruce and Wayne who had not received them.

2000 YTD Financials:

Financials had been previously provided to the Board members. Wayne provided a fairly comprehensive rundown of the status of revenue and expenses. Revenues are below normal but expenses are also running low. It appears that the unexpected increase in school and county taxes will cause a shortfall between \$25K and \$50K. The ferry is still in some trouble, decreased revenues, fuel and deferred wages (\$12K) being the major issues.

Treasurers Report:

The Gorham checking account has over \$1M due to almost all taxes being paid with bills yet to come for the next 6 months.

MOTION by John Nun to invest up to \$500K in short term CDs, second by Phil Perry – UNANIMOUS.

Golf Report:

Issues with credit card costs being addressed.

Marina Report:

None

MOTION by Phil Perry to adjourn at 7:50 PM, seconded by John Nun –
UNANIMOUS.

Respectfully submitted,
John B. Nun
First Selectman

Encl: Attachment A – Managers Report 9 July 2008
Attachment B – Monthly Financial Summary June 2008

Attachment – A. Town Manager Report 9 July 2008

1. **Water System Upgrade:** The Board appropriated the money in the Water Reserve for the installation of a 4" water distribution line along Highpoint Drive from the intersection at Sunset Road to the intersection at Birch / Ridge Roads. John Crosby is updating the material list now and will be ordering materials as soon as this is finalized. We anticipate starting work by the end of June. Fire Chief Persson raised the question of running a larger (6" – 8") line from the intersection of Independence down Highpoint to the Community Center so that a fire hydrant can be installed. This would provide a water supply in the event of a fire at the Community Center. *The water distribution pumps will not support a typical fire hydrant; however, we will be installing a 4" hydrant in the Community Center area that can be used to fill the trucks in an emergency. The pipe and fittings have been ordered.*

We still have not received the piping. I did have a discussion with Jeff Snow and he will hold his proposal for the labor even though we haven't been able to start as expected.

2. **East Pump House:** The new pump house is complete. The system is in operation. There is still some minor programming of the controls needed but this is not affecting the operation. The programmer is working off site then will return to install the changes. We have started demolishing the old pump house.

We were struck by lightning and the raw water pump house took the brunt of the damage. We lost both of the Variable Frequency Drives and have had to temporarily wire the system to maintain operation. We are discussing different possibilities for permanent repairs.

3. **Marina Dredging:** The dredging project is complete. We have also begun the work on the amendment to the dredging permit to allow us to increase the height and length of the stone jetty at the entrance to the Marina. Surveyors from Main-Land Development Consultants have completed the site work needed for the application. The project engineer feels that the application should be ready to submit to the DEP by the end of June. He also said that he felt the DEP would take 3 months to complete its review so we probably won't hear much before the end of the summer. *No Change.*

4. **David O'Grady Fee Complaint:** Our attorney has sent a letter to Mr. O'Grady stating that the BoS/EC would consider a formal request for a refund of some portion of his building permit fees. This was with the understanding that this in no way meant a refund would be granted. Mr. O'Grady has until May 30 to submit a formal request. *The request has*

been received and will be considered at the 06/14/08 meeting. The fee complaint to the Superior Court is on hold until the request to the BoS / EC for a refund is decided.

At the last BoS/EC meeting, the ExCom denied Mr. O'Grady's request for a refund. We have not heard anything further.

5. **Derek Yates Fee Complaint:** Our attorney has sent a letter to Mr. Yates stating that the BoS/EC would consider a formal request for a refund of some portion of his building permit fees. This was with the understanding that this in no way meant a refund would be granted. Mr. Yates has until May 30 to submit a formal request. *The request has been received and will be considered at the 06/14/08 meeting. The fee complaint to the Superior Court is on hold until the request to the BoS / EC for a refund is decided.*

At the last BoS/EC meeting, the ExCom denied Mr. O'Grady's request for a refund. We have not heard anything further.

6. **Consent Agreement-Lot 273:** The consent agreement for alleged violations of the Shore Land Zoning Ordinance on lot 273 was sent to Mr. & Mrs. Zea requesting remittance of the signed agreement with the \$10,000.00 contribution to the Town by Friday March 21. We did not receive either the signed agreement or the contribution the 21st so I contacted our attorney. He suggested that we wait until Monday before taking any action. On Monday we still had not received anything so I contacted our attorney again and he indicated that he would be contacting Mr. Zea's attorney and determine what he would recommend as the next step. He had not been able to reach Mr. Zea's attorney by Thursday March 27th. Legal costs may be available if we have to pursue this case through the court system.

Mr. Zea has requested a meeting to discuss the notice of violation and the consent agreement. This meeting was held on June 13, 2008.

I have received a signed copy of the consent agreement with the \$10,000 contribution. Paul White and Mike Morse (DEP) met with O'Donal's Nurseries Monday, 30 June, to finalize the replanting plan. The revised plan will not be available for approval until the week of 7 July.

7. **Ferry Invoices:** Mr. Zea has been invoiced \$24,000 in ferry fees accumulated at the end of the 2007 season. He has paid \$4,000 toward the total bill and informed me that I would have the remainder by the end of May. This will be discussed at the 06/13/08 meeting.

Mr. Zea has written a check for \$9428.00 and has claimed the remainder was overcharge. I have not deposited the check because it was marked "payment in full" and I have to review all of the invoices for the overcharge claim.

8. **Discretionary Ferry Funding Program:** The application for phase 1 has been submitted through the Maine DOT to the Federal Highway Administration. The application is making the rounds in DC. We have applied for 2009 money and are in hopes of hearing something by the October Town Meeting.
9. **2007 Audit:** The audit is essentially complete and a meeting has been scheduled with the auditors for Thursday 9:00 AM to review the details. The draft of the Managers Discussion and Analysis (MD&A) is complete waiting for the audited numbers.
10. **Quail Circle Markers:** At last falls annual Yacht Club Meeting a concerned Islander suggested the Marina Committee address the potential hazards located in the approach to Quail Circle. This spring this concern was addressed and following a review of the area with Tim Thurston, Navigational Aids Supervisor, from the Maine Department of Conservation and conversations with the property owners that abut Quail Circle the Committee is recommending the installation of 4 markers delineating the canal entrance. The markers have been supplied by the State Dept. of Conservation.
11. **Labor Department Inspection:** The Maine Department of Labor conducted an unannounced Public Sector Enforcement Inspection on Tuesday, 1 July. They have not completed the inspection yet but have indicated that there are a number of infractions but nothing extremely serious.

Monthly Financial Summary - June 2008

Department	YTD Actual	YTD Budget	YTD Difference	Remaining Budget	Notes
Town Operations					
01 - General Government					
Revenue	39,411	36,712	2,699	1,978,645	1
Expenses	166,832	219,560	52,728	249,127	
05 - Public Works (includes Water, Roads and Trash)					
Revenue	11,562	5,476	6,086	4,438	
Expenses	219,072	219,391	319	206,699	
15 - Public Safety (includes Police, Fire and Emergency)					
Expenses	51,255	53,096	1,841	27,455	
20 - Recreation					
Revenue	0	0	0	400	
Expenses	11,326	16,699	5,373	26,232	
40 - Non-Municipal (includes SAD 6, Cumberland County)					
Expenses	456,202	456,836	634	620,256	
YTD Net Income	(853,713)	(923,394)	69,681		
Enterprise Operations					
71 - Frye Island Ferry Operations					
Revenue	118,806	131,606	(12,800)	222,529	2
Expenses	133,406	133,165	(241)	203,028	3
YTD Net Income	(14,600)	(1,559)	(13,041)		
73 - Frye Island Golf Club					
Revenue	95,209	75,182	20,027	115,361	4
Expenses	84,076	70,658	(13,418)	112,579	
YTD Net Income	11,133	4,524	6,609		
83 - Frye Island Yacht Club					
Revenue	78,550	79,264	(714)	1,325	
Expenses	15,151	12,874	(2,277)	23,527	
YTD Net Income	63,399	66,390	(2,991)		

- Notes:
1. Tax revenue not correctly booked, correction to be made in July
 2. Revenue short fall may well continue to increase in future months
 3. Corrective action needed in response to revenue short fall
 4. Actual Rev includes \$10K Resv transfers; distorts operation number

