



**TOWN OF SOUTHWEST HARBOR
BOARD OF SELECTMEN**

Tuesday, January 22, 2013 @ 6:00 pm
Southwest Harbor Town Office

- I. **Call to Order/Roll Call:** Dan Norwood, David Minctons, Ralph Dunbar, Jr., George Jellison, Jr., Chairman Tom Benson, and Town Manager Don Lagrange.
- II. **Visitors to be heard not on the agenda:** None.
- III. **Approval of Minutes:** Meeting of December 18, 2012
A Motion by Dunbar, Jr. and Seconded by Minctons to accept the minutes from the December 18, 2012 meeting as presented. Vote 5/0.

Meeting of January 14, 2013

A Motion by Minctons and Seconded by Norwood to accept the minutes from the January 14, 2013 meeting as presented. Vote 5/0.

Water Board Meeting, December 18, 2012

A Motion by Norwood and Seconded by Jellison, Jr. to accept the minutes from the December 18, 2012 Water Board meeting as presented. Vote 5/0.

- IV. **Municipal Audit, Ron Bean of James Wadman Auditors:** Mr. James Wadman handed the BOS with the Audit handout and explained it extensively to the BOS. He said that the financial statements are the Town's responsibility. It is a series of tests and confirmations—a complete examination of transactions. Mr. Wadman added that the Town of Southwest Harbor is in a "very healthy financial position". He also reported that all departments are operating below budget and there is very good budgetary control in the accounting of the Town's finances. The surplus reserve is 23% of the Town's expenses. He stated that the Sewer Dept. was down again this year. That department has to borrow from the General Fund to pay payroll and its bills. He also stated that the interest earnings were down but that is for the low interest rates that the banks are paying on the Town's investments. Dunbar, Jr. asked Mr. Wadman why it seemed so long to get the Town Audit from his company. Did it have anything to do with the School's Audit? Is there anyway to speed up the School's Audit? Mr. Wadman did say that the audit was quicker this year than last year and that the schools have to do more work and they have less people due to the consolidation into the AOS system. He said that the school is taking longer to close out their books than they had in the past.

V. **Manager's Report:** Lagrange informed the BOS that the Town had sent out Property Tax reminders as a courtesy to the property owners. The girls in the Town office have been thanked by many of the reminders. He spoke about the upcoming union contract negotiations and that he had received a 120 days notice from the Union about it. Lagrange asked the BOS if it was ok to review the contracts for the 2nd meeting in February or the 1st meeting in March and to go into Executive session after reviewing. He spoke about sending out a newsletter and it included an invitation to the Planning Board workshop to discuss the proposed land use ordinance changes along the harbor. He stated that only 5 people from the public showed up and he was disappointed that more people are not coming to give their input. Dunbar, Jr. added that he thinks it will take some time to make the changes in the harbor and that the Planning Board will be working on the changes again. Lagrange and Jellison, Jr. will be meeting with Sue Smith from MMA regarding the Health Insurance Plan for the Town on 02/07/13. It needs to be addressed before contract negotiations begin and Benson added that the School wants to shadow whatever the Town is doing with the health insurance. Lagrange said that the schools were working on their budgets and the Town was waiting on Pematic's budget. He also let the BOS that the Warrant Committee had begun the meetings of reviewing the budget and the non-municipal funding requests. Lagrange also noted that the BOS think about reducing the Warrant Committee Member numbers from 7 to 5. He said it was hard to find people to join this committee. He asked the BOS to think it over and get back to him about in the future.

VI. **Old Business:**

a. **Public Works Report (PW Director):** Corrigan addressed the BOS about the progress of the Water Tank. Calibration to the instruments at the tank to the ones at the Water Plant will be happening in the next week. He noted that Olver Engineering had sent out letters to all property abutters notifying that there would be surveying starting on Main Street during the week of January 14th. He let the BOS that the Sewer Dept. were waiting for parts to arrive to repair the sludge pump. They have been waiting 2 months for the parts to come in. Benson asked Corrigan what the cost of a rebuilt pump cost and leave it in inventory for future breakdowns. Corrigan said that it could cost up to \$16,000.00 for the pumps and also added that the company isn't stocking the parts due to the economy. Benson also noted that the Sewer Dept. overtime has been costly to the Town for the men to go and check on the pumps while the parts are on order. Corrigan said the new trucks for the Water and Sewer Dept. should be in at the end of the month. Benson asked if the reimbursement checks for mileage to employees using their own vehicles for work would cease once the new trucks arrived. Corrigan said that the reimbursement checks would end.

b. **Deer Hunting:** Lagrange asked the BOS if they were interested in mailing out a survey to residents about the deer hunting in SWH. BOS thought that the Town should sit on the issue and revisit and see what the

surrounding Towns are doing about. No rush to act on plus there isn't much hunting land in SWH.

c. School Insurance Claim: Lagrange presented the BOS with a memo about the Pemetic Insurance Claim. It included a spreadsheet from the School Department regarding their insurance claim. The remaining balance due to the school is \$39,700.77 minus the \$500.00 deductible. The BOS are concerned about the Town getting repaid from the School Department. Lagrange was asked to keep checking with the School to see if the money is on the way. The BOS realize that insurance claims can come in slowly.

VII. New Business:

a. Credit Card Acceptance: Lagrange addressed the BOS about accepting credit cards for payments. The Town currently only accepts cash and checks. Dunbar, Jr. immediately said no to the idea. Trio is the program that the Town uses now for all our office programming and it is being offered to Towns if they so choose to go that route. The 2.5% would be passed on to the resident for the fees and service charges and all residents and they would be told up front before paying. Lagrange did tell the BOS that residents have asked in the past to use their credit cards to pay for their bills. The BOS have decided to stay the way it has been in the past---cash or checks only.

b. Water & Sewer Commitment: A Motion by Dunbar, Jr. and Seconded by Norwood to accept the Town of Southwest Harbor Certificate of Commitment of Water User Rates for the 4th quarter of 2012 in the amount of \$139,571.36. Vote 5/0.

A Motion by Jellison, Jr. and Seconded by Norwood to accept the Town of Southwest Harbor Certificate of Commitment of Sewer User Rates for the 4th quarter of 2012 in the amount of \$111,328.04. Vote 5/0.

VIII. Other Business: FEMA/HANCOCK COUNTY Lagrange addressed the BOS about a resolution proclamation for the Town's inclusion in the 2012 update to the Hancock Count Mitigation Plan that he received and needed signatures to secure. A Motion by Jellison, Jr. and Seconded by Dunbar, Jr. to accept Hancock County Maine Hazard Mitigation Plan – 2012 Update Resolution as presented. Vote 5/0.

IX. Accept& Sign Warrants: Administration: 104, 105, 107, 108, 112, Water: (2012) 26, Water: (2013) 115, Sewer: 111, School: 106, 109, 110, Special Projects: 113, 114.
A Motion by Norwood and Seconded by Minctons to accept & sign warrants as presented. Vote 5/0.

X. Next Meeting Date: Tuesday, February 12, 2013

XI. Adjourn: A Motion by Jellison, Jr. and Seconded by Minctons to adjourn the meeting. Vote 5/0.