



Minutes of Meeting
Board of Selectmen
September 14, 2010 @ 6:00 P.M.
Southwest Harbor Fire Station Meeting Room

- I. Call to Order/Roll Call: The meeting was called to order at 6:00 p.m.
Board Present: Selectmen: David Minctons, Trudy Bickford, George Jellison, Jr., Dorr “Skip” Wilson; Ralph Dunbar, Jr., Town Manager: Robin M. Bennett

Visitors:

Berten Willey	Dan Bartlett	Shannon Gilley
Christie Parsley	Gene Thurston	John Seavey
Kenneth Hutchins	Meredith Hutchins	Rene Wellman
Bruce Carlson	Mac Smith (BHT)	Fay Lawson
Mark Good (MDIslander)	J. Anglebach	Anne Napier
Doug Maffucci	Jeff Strong	Paul Douglas
Elliott Spiker	Vaughn Clark	Dave Chapais
Andrew Keblinsky	Kristin Hutchins	Pat Biegler
Donald Lagrange	Eric Clark	Adam Thurston
Erika Shriner	Dave R.	Corey Pettegrow
Lee Worcester	Weldon Leonard	Lydia Goetze
Dennis Dever	Dalen Mills	Jay Sutter
Mary Ann Perlman	Tony Smith	John Stanley
Jeff Thomas	John Wellington	Andy Mays
Sam Chisholm	Molly Lyman	Sonja Fields
John Ditmar		

- II. Visitors to be heard not on the agenda: Erika Shriner thanked the Board for their support of the Swap Shop, saying they opened this past weekend. Shriner said it has been a great effort by many people. Eric Clark asked about the paperwork for a grant with US Fish and Wildlife. Bennett said that will be an item later on in the agenda. Anne Napier thanked Town Manager Bennett for improvements in the Town, including hiring an experienced and knowledgeable Public Works Director.
- III. Approval of Minutes: Selectmen Minutes of August 24, 2010 and Special Selectmen’s Meeting of September 2, 2010

It was Moved (Wilson) and Seconded (Bickford) to approve the minutes of August 24, 2010 as presented. Vote: 5 – 0.

It was Moved (Wilson) and Seconded (Bickford) to approve the minutes of September 2, 2010 as presented. Vote: 5 – 0.

V. Warrants: Administration 32-44 Water 24, 25
Sewer 9 – 10

VI. Old Business

a. Lower Town Dock Update: Bennett said she has spoken with the engineering firm and has laid out our expectations concerning fixing the drain and the development of a new sink hole. It is her expectation that they will provide the fix.

VII. New Business

HCRCC asked if their business could be moved to the first item of New Business heard by the Selectmen. The Selectmen agreed. Fay Lawson said the PUC will be setting down an edict for regionalization of dispatch and PSAP's (Public Service Answering Points), to reduce the number in Hancock County. It is the State's aim to consolidate Dispatch in much the same way as they have schools in Maine. Hancock County has only received conditional approval from the State because there are six communities that HCRCC doesn't dispatch for – and the State is recommending that the municipalities who have not joined the County Dispatch do so or face the possibility that they will be dispatched somewhere other than HCRCC. That means the 30 communities HCRCC does dispatch for may be sent to a dispatch center somewhere else in the State. This is regulated by the Public Utilities Commission as they are acting on a recommendation from the State to make these consolidations. Renee Wellman spoke, saying there is a process going on in the Legislature whereby in November they hope to come up with a consolidation plan which will pare the PSAP'S down to 15 or 17, eliminating 9 in the State. There is a public hearing in Augusta on the consolidation plan. This Town is one of the 5 stand alone dispatch centers in the County and the Public Utilities Commission has told HCRCC that their status is conditional because of those 5 stand alone dispatch centers. The decision will be made in November and take effect in 2013. Wilson suggested contacting our State Representatives and Wellman suggested also contacting the PUC. She suggested that a representative from the Town attend the PUC meeting.

- a. Special Amusement Permit, Class D Permit: Southwest Harbor Chamber – Oktoberfest weekend 10-8-2010 through 10-9-2010 at Smuggler's Den Campground. It was Moved Wilson and Seconded Bickford to approve 5 - 0
- b. Liquor License: Southwest Harbor Chamber: October 8 & 9, 2010; Oktoberfest: Smuggler's Den Campground: It was Moved Bickford and Seconded Wilson to approve 5 - 0
- c. Special Amusement , Class D, Acadia Shore, LLC: Gilley's Head of Harbor: It was Moved Wilson and Seconded Bickford to approve 5 - 0

- d. Liquor License Renewal: Acadia Shore/ Sharon Gilley: Head of Harbor Restaurant: It was Moved Bickford and Seconded Wilson to approve . 5 - 0
- e. Liquor License Application for Special Permit off Premises: Atlantic Brewing Company-Salisbury Cove Associates: at 314 Main Street, BH Bank & Trust on 10-17-2010 from 11:00 am – 7:00 pm: Doug Maffucci said that the MDI Marathon event has served food in prior years and Atlantic Brewing wishes to serve beer as part of the event. He has corresponded with Bar Harbor Bank but has received no final written approval yet. Chapais said there will have to be a couple of extra officers on duty. Dunbar said he was somewhat concerned that local businesses might have problems. Wilson expressed concern as it is new but sees no harm in trying it. He also said that if extra police are needed, the event or concession must pay that bill. Atlantic Brewing said they understood and would work that out with the sponsors. Bickford agreed with Wilson on the provision that extra police would be the responsibility of the sponsor. Discussion was held on where to locate the tent and it was agreed that it should be next to the bar-b-que. It was Moved Wilson and Seconded Bickford to approve the application of Atlantic Brewing. Vote: 5 - 0
- f. Appointments:
- i. Waste Prevention Committee: Mary Ann Perlman: Ms. Perlman said she has been working with ROOTs group for several years, and has always supported recycling, encouraging that with others. It was Moved Wilson and Seconded Bickford to approve the appointment of Mary Ann Perlman to the Waste Prevention Committee: Vote 5 – 0.
- ii. Forestry Warden: Jeffrey Thomas: Chisholm said after 35 years of service Bert Willey has retired. State Law says if the Forestry Warden is not the Fire Chief, elected officials have to approve of the Fire Chief not being the forestry warden. Jeff is recommended by the Fire Department because he is experienced. It was Moved Wilson and Seconded Bickford to accept the resignation of Bert Willey, and approve the nomination of Jeff Thomas as Forestry Warden for the Town of Southwest Harbor. Dunbar thanked Mr. Willey for his many years of service. 5 – 0 in favor.
- g. Comprehensive Plan: Lydia Goetze said drafts are available in the Town Office, Library and on the web site. The Committee requests of the Selectmen that the proposed new Comprehensive Plan be placed on the ballot for November 2nd, that the Selectmen recommend a vote in favor, and encourage people to come to the Selectmen’s Public hearing tomorrow evening here at the Fire Station. There will be information meetings prior to the November

vote. It was Moved Bickford and Seconded Wilson, to place the Comprehensive Plan on the ballot for November 2nd. Discussion: Wilson said the Committee has worked very hard. He said the plan may not fit every situation, but as a whole we must have it. He encouraged the committee to review the plan every year a couple of items, to avoid such a long and difficult process in the future. Wilson recommends people vote to pass this ordinance. Goetze said this plan consists of recommendations that cannot be enacted until the Town votes. In answer to questions, Goetze said having the Comprehensive Plan in place, while not a State requirement, affords the Town the opportunity to apply for grants and special funding that they might otherwise not be allowed to compete for without a Comprehensive Plan. She said the Committee has discussed forming an implementation committee to assist boards and committees with the enactment of the plan. Vote: 5 – 0. Bennett asked if the Selectmen wish to state that they recommend approval of this item on the warrant which is posted. It was Moved Wilson and Seconded Dunbar to recommend approval of the Comprehensive Plan. Vote 5 – 0

- h. A.D.D.: Proposal - Tony Smith , Chairman of the Acadia Disposal District (ADD) passed out a letter from CES, Inc. outlining the cost benefits of recycling with Ellsworth. The ADD is comprised of 6 Towns and represents them in the management of solid wastes and recycling. The Towns are currently in the second year of a 5 year contract with EMR, Inc. During contract negotiations, Tremont and Trenton asked ADD to put in an opt-out clause with 90 day notice to EMR. Smith said there is a cost for using the recycling facility in Ellsworth. They have asked for \$26,000 to use the facility, and would be adding one more staff person. Shriner said at EMR the Town can recycle 1 – 7 plastics; Ellsworth doesn't do that many, but Smith said they are excited to work with ADD to expand their recycle (EMR, Inc.) spoke saying that to date the Town spent a little over \$15,000 in recycling. The projection is that it would cost about \$23,000 this year. Keep in mind that EMR, Inc. is a known quantity. Worcester said EMR offered a revenue share in contract negotiations and it was declined. He encouraged the Town to keep with the system it has because it works. Smith said the reason for not accepting the revenue sharing during EMR contract negotiations was because it meant the tipping fee would increase. On behalf of the ADD Smith recommends the Town of Southwest Harbor opt out of their contract with EMR and go with the Ellsworth operation. There is money in the ADD budget to hire someone to handle this rather than use part-time assistance from Smith, and from volunteers. Hutchins said the solid waste contract is the most expensive contract for the Town. Chairman expressed concern that there is no site set up, no one to man the site, and no method yet to transport to Ellsworth. Smith said that Tremont and Trenton do not have attendants at their

recycling center – the trucking is something that ADD would assume the responsibility for. Change is difficult. Bickford said it is time for the Town to consolidate with the other Towns, and this is something we can do island wide and will save tax dollars. It is the 3rd highest budget in the Town. Bickford would accept the recommendation from ADD. Dunbar said he doesn't think the figures are there. Meredith Hutchins said she would like to have the Selectmen ask the Public Works Director review this. Smith said the Selectmen should review this and they will come back at the next meeting. It was Moved Wilson and Seconded Dunbar to postpone a decision on opting out of the EMR recycling and recycle with Ellsworth, and schedule it for the next meeting with more information available. Discussion: Worcester said EMR has had a consolidated arrangement with all communities on this island for 30 years, and have added the outer islands as well. Napier said a decision should be based on research and not on fear of change. Pettegrow said there is not a true comparison of cost. Smith said that ADD has on the back burner the development of our own facility. With a municipal facility the savings will go back into the facility. Vote: 5 – 0.

- i. HCRCC – this item was addressed as the first item under New Business.
- j. Harbor Committee: Dunbar said this is on the agenda from the last meeting. Bickford said she attended the monthly Harbor Committee meeting last night, and her concern is that the Harbor Committee thought they needed an attorney, when they are on the Committee only to advise. Bickford contended that there were three illegal public meetings going on last night at the Committee meeting and that needs to stop. She said it is clear that decisions are made before the meeting. The job needs to be done on a public table. She expressed grave concerns about local and state laws which she contends were violated by Committee members and Board members, and asked the Selectmen to hire an attorney. Ken Hutchins discussed the fact that the Harbor Committee wanted to go back to the job description that was in existence when Gene Thurston was Harbormaster. Hutchins said that is not the work of the Committee – the ordinance needs to be worked on, the harbor needs to be re-organized and those should be the Committee's priority. Hutchins said the Harbor Committee has no authority to tell the Harbormaster what to do – the Ordinance and State Law does that. The Committee can't seem to get around the idea that their job is to advise the Selectmen about issues of the Harbor. He suggested the Selectmen direct the Committee to do a specific task. It is the responsibility of the Selectmen to make sure the Committee knows the rules. Bickford agreed with Hutchins that there are some very good members on the Committee and the Selectmen have not been overseeing the Committee, and members

did not understand their job. John Anglebeck spoke saying high quality access to the water is a necessity. The Harbor is an asset that needs to be managed carefully. He has many of the same observations that Mr. Hutchins and Ms. Bickford expressed. He thinks the frustration on the part of the Harbor Committee results from lack of specific rolls and organization. He said it should be disbanded – take those who are interested in the projects discussed and set up sub committees – with accountability and responsibility. Leonard said there were many Selectmen at the meeting and it was pretty clear that the meeting went smoothly. He discussed the motions that were made at that meeting: the selection of the Harbormaster: Selectmen should be aware that applicants were not given a job description; Harbor Committee recommends removing Dever immediately; He also said that every time the Harbor Committee has taken a vote on an issue, when the Chairman has come to the Board of Selectmen it has not been the same motion that was voted on. Leonard expressed concern that the Committee is not involved in the hiring. Andy Mays said he doesn't think the issues arose in the Harbor Committee and that the issues were expressed by others outside the Harbor Committee to the Committee. Mays said if there is a problem with a few people on the committee, pull those out and let them defend themselves at a hearing. He pointed out that the Harbormaster has resigned. Dunbar said there is a full agenda tonight, and there would be no further discussion unless someone has something to share that is new and different. Wilson: He said he doesn't believe it is possible to disband the Committee. Wilson said the By-laws and Ordinance should be addressed, that the appeal process should be removed from the Harbor Committee and direction and specific projects should be assigned and the Committee told to report back to the Selectmen. He further stated that the committee is not in charge of day- to-day operations of the Harbor. Molly Lyman asked the Board what steps the Board will take at this point. Will there be another meeting with the Harbor Committee? Where are you going from here? Dunbar said there will be no specifics tonight. Wellington said he hoped if new members were to come onto the Committee they would be people who work in the Harbor. He thinks the Harbor Committee should have some input into who is hired as Harbormaster. George Jellison said he researched the idea of disbanding the committee, having discussed this with the MMA attorney – it is part of the SWH Ordinance, and the Selectmen do not have the power to disband the Committee as a whole. There are specific guidelines for removing members of the committee. Eric Clark said this group has a genuine interest in the Harbor and have made recommendations to a plan, which the Harbormaster presented the attitude that he did not want to listen and that was a real problem. Some of the Committee meetings got out of hand and that was the responsibility of the Chairman. Clark said we should not have to mold our Boards and Committees

around the management. It's time to move on. Bickford still wants this Select Board to talk to an attorney as soon as possible. She suggested an Executive Session with our attorney. Dunbar asked Bennett if the Board needs a consensus to bring an attorney in. Dunbar would like this discussion in Executive Session before determining if they need a lawyer. Minctons agreed that the Board should go into Executive Session to discuss personnel matters. Jellison agreed. Leonard said the Harbor Committee should be invited to interviews for the Harbormaster, and that is in the Ordinance. Bennett asked Leonard what specifically is so offensive in the job description indicating that the same requirements are in both, but with format changes.

- k. Harbor Ordinance Amendments: Bennett said there are two Ordinance amendments, the first being the removal of the appeal process from the Harbor Committee; the warrant was presented to the Board for review. It was moved Wilson and Seconded Bickford, to propose the Coastal and Harbor Waters Ordinance change, to remove the appeals process from the Harbor Committee, be sent to the Voters Vote: 5 – 0.

The use of Charter and Tour Boats: a draft warrant on prohibition of Charter and Tour Boats using Town docks for private business has been reviewed by the Town Attorney and they felt this accomplishes what the Board wants and it could go before the voters in November. Wilson read parts of paragraph II aloud. It was Moved Wilson and Seconded Minctons to present the changes to the Ordinance concerning Charter and Tour Boats, to the Voters in November. Vote 5 – 0.

- l LUO Amendments: Worcester discussed the marijuana ordinance saying it was reviewed by MMA and Town attorneys who have found many flaws in the direction and Worcester recommended extending the moratorium, re-directing the ordinance back to the Planning Board, and waiting until May Town Meeting to put this on the ballot. It was Moved Wilson and Seconded Dunbar to extend the Marijuana Moratorium an additional 6 month, and remand the proposed changes to the Marijuana Ordinance back to the Planning Board. Vote 5 – 0.

Land Use Ordinance changes were discussed and included: Site Plan Review changes – additions as recommended by the State; General Regulations and Standards – dealing with minimum lot area and not including right of way into calculations; Definitions, Section 8 – two changes – one to Road and a second incorporating a provision the State wanted in the Shoreland Zone that deals with dwelling unit, and Lot standards which were changed as a requirement of the State. Representing the Planning Board, Worcester request the Selectmen approve putting the Land Use

Ordinance changes as presented on the November ballot. It was Moved Wilson and Seconded Bickford to place the proposed Land Use Ordinance recommendations from the Planning Board on the ballot in November. Vote: 5 – 0.

- m. Abatement of Taxes: Eric Clark – The Chairman said the Town Assessor has signed off on the abatement approved for 2008 and 2009. Did the Board have any questions? None. It was Moved Wilson and Seconded Bickford to grant the abatement to Eric Clark as outlined by the Town Assessor for the years 2008 and 2009. Vote: 5 – 0.

- n. Dispatch Fees; Bennett provided a breakdown of the calls by type and said the cost of providing the service is what the budget is for the department. Agency assist and Southwest Harbor Fire are costs to the Town; Police responses are ours – which is 82% - Tremont 2% and Ambulance is 16%. 18% of the budget for Dispatch would be \$44,452 as opposed to the current charge of \$20,000. Dunbar said he would not have a problem asking for a 100% increase from Tremont and the Ambulance Service. Wilson said the Board could ask for that and start negotiations. The Board felt that they should set their price and not be open to negotiate. It was Moved Bickford and Seconded Minctons to notify the Town of Tremont and the Ambulance Association of a 100% increase in the charge for Dispatch service. Vote: 5 – 0.

- o. Certificate of Settlement; Bennett: the tax commitments have been taken. It was Moved Wilson and Seconded Dunbar to accept the Certification of Settlement as presented. Vote: 5 – 0.

- p. Water & Sewer Ordinance Amendments; Bennett proposed changes based upon the vote at the Special Town Meeting concerning paying for infrastructure. It was Moved Wilson and Seconded Bickford, that the water ordinance change be submitted to the Voters on the November ballot. Vote 5 – 0.

Sewer Ordinance change was reviewed. It was Moved Wilson and Seconded Bickford/Jellison to approve the changes to the Sewer Ordinance as proposed and place them on the November ballot. Vote: 5 – 0.

- q. Terms & Conditions Amendment; Water Department Terms and Conditions for Disconnect. Bennett this needs to be approved by the Board and then will be sent to the PUC for them to approve, according to a new law passed this year. Dunbar asked what the shut off price is for just water – Bennett said \$50. It was Moved Bickford and Seconded Jellison/Wilson, to accept the Terms and Conditions as presented. Vote: 5 – 0.

- r. Road Projects Update: Biegler said the Post Office parking lot is moving along nicely – a bit ahead of schedule, they are beginning resurfacing tomorrow and that lot will be closed for that day. Granite curbing was installed last week and the sidewalk and gutter and sewer patch and repair up near McEachern’s has been done. Bicknell (L.S. Robinson) will pay to have his section repaved adjacent to the P.O. Parking Lot. Shore Road, Ocean House Road – easements will probably arrive from Lawyers tomorrow and that will need a Special Town Meeting to approve after signatures are obtained. The Town will move on to Shore Road improvements as soon as the Post Office parking lot is done. One bid was received for paving – at \$48,654. The whole project will probably total around \$60,000 with the easements. Wesley and Mansell: to move forward with the construction next year, it will be a very tight schedule. Design and purchasing will take time. Biegler is recommending and requesting approval to use Olver for this work, as they have done the preliminary work and assisted in the financing and should be able to do the design in a shorter period of time. Failing that approval, we will send out an RFP to select firms. Dunbar reminded everyone that the Board has agreed that every aspect of this project should go out to bid. Dunbar said it is open for comment from the Board. Bennett said there is value in going with an entity that knows us well. The money will be available by the end of October, and that makes it a short schedule. She recommends that Olver is well on the way to knowing aspects of this project that others would have to get up to speed on. Wilson: we should be requesting bids from engineering firms. He does agree that Olver has done the leg work to help us obtain the funding and they understand the project and what must be done and that is a plus in this instance. Dunbar: if we chose to move forward, would they do it on an hourly basis? Bennett would have to inquire. Biegler said we will negotiate a proposal from Olver. Minctons asked what would be the harm in asking others to bid and Bennett said money becomes available in October, and that speeds up the process. Biegler explained the process generally used to estimate and the process as it follows through to get more specific prices. We will ask Olver to give us a specific price which we will then negotiate. Dunbar said that Olver should be able to put together a very accurate price for the job. Wilson has no problem in asking them for real numbers by the next meeting. Jellison asked when Olver’s study will be done. He said we should look at other firms. Bennett said the Board should keep in mind that the Town has had a very good experience with Olver, and in the long run it could very well save money. Bickford agrees. The Board asked that Olver provide an accurate price for this job by the next meeting.

Biegler met with DOT and discussed using curbing in areas that flood during heavy rains. It would be appropriate to do that at the

same time that Shore Road is done. This would involve doing some grinding to create a swale in some of the areas where water is running into the roadways. A test area will be done at Sea Biscuit by Three Rod Road. Wilson said there should be a sealant used after grinding. Biegler estimated \$10,000 for swales in several areas. Dunbar asked if the State is willing to pay for some of this – Biegler – they potentially will assist with the survey work but not the cost of this work.

Seal Cove Road: Biegler reported that she received today from the Dept. of Inland Fisheries the technical portion of the grant application process. Their goal is to re-populate the trout and they are interested in the Eastern branch of Marshall Brook. This grant proposal is a 50/50 match totaling \$100,000, and would propose to replace the culverts on the Eastern part of Marshall Brook Road and the Western part of Marshall Brook that the Town wants to do. The grant is due Friday, and if both can be done for less money than was planned it is good. Inland Fisheries will also assist with permitting. The Town previously approved \$60,000 for this project – if we get the grant our cost would be \$50,000, a \$10,000 savings. It was Moved Bickford and Seconded Wilson to approve the Town Manager proceeding with the paperwork to complete application in collaboration with the Department of Inland Fisheries for improvements at both the East and West ends of Marshall Brook Road. Vote: 5 – 0.

- s. Legal Services RFP: Bennett received 4 responses – three were interested in being the official Town Attorney. It was Bennett’s recommendation to interview candidates with the Board and asked: how would the board like to proceed? Dunbar has reviewed the proposals and said Smith and Collier stood out. He said in a recent visit from a different attorney, it appeared the other attorney didn’t seem as familiar with the Town. He said the history with Smith and Collier pays for itself. Bennett would like to talk about the process and not speak to individual proposals. Wilson asked if this should be discussed in Executive Session. Bennett said if the Board wants to discuss individual attorneys, it should be in Executive Session. Bickford said the Board should interview with Bennett. Bennett said if the Board wants to interview we need to set that up – if the board wants Bennett to interview an recommend, that needs to be arranged. It was Moved Wilson and Seconded Jellison to go into Executive Session at the end of this regular Selectmen’s meeting to discuss the attorneys who answered the RFP. Vote: 5 – 0.

VIII. Manager’s Report: Bennett reported that 41 of the Town’s fire hydrants have been repainted. Hurricane Earl was a non event although staff was prepared according to protocol. Staff is working with out Auditors, on the annual audit of both the Town and the Sewer Department. We will receive the results once the

school is complete, around November. Shore clean up is scheduled for the Manset Shore on Saturday. Anyone who may help should contact Dennis. The Sewer Department hauled an above normal amount of sewage sludge during August. Town Dock: New light pole installed. NIMS Training and Freedom of Access training reminders given to the Board members. The Elected Officials Workshop is scheduled for Wednesday 20 October; Wilson and Dunbar agreed to sign up. There are two meetings tomorrow evening, the 15th of September: Board of Appeals – Keblinsky, and the Comprehensive Plan Public Meeting. Bennett provided a new set of minutes to the Board concerning the Wesley Avenue, Mansell Lane vote, saying the attorney noted a wrong date and the Board needs to re-vote the corrected paperwork.

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TOWN OF SOUTHWEST HARBOR MEETING OF BOARD OF SELECTMEN

The Board of Selectmen of the Town of Southwest Harbor met at the Southwest Harbor Town Office in Southwest Harbor, Maine on September 14, 2010 at 6:00 p.m. Present were Ralph Dunbar, Jr., Dorr “Skip” Wilson, George Jellison, Jr., David Minctons, and Trudy Bickford being five of the Selectmen of the Town of which there are five together with the Treasurer and Deputy Clerk of the Town, Robin M. Bennett and Carol Walsh. The Chairman presided and the Clerk kept the record. The Selectmen discussed the matter of financing several infrastructure projects in the Town. The meeting was open to the public, which was notified of the meeting by means of public notice posted in public places at Southwest Harbor Town Office. Upon motions made and duly seconded, the following votes were unanimously adopted:

VOTED: That pursuant to the Constitution and laws of the State of Maine and authority granted by Section 5772 of Title 30-A of the Maine Revised Statutes, as amended, action of the voters of the Town at a town meeting duly called and legally held on August 31, 2010, votes of the Board of Selectmen at a meeting duly called and held on September 2, 2010, and any other applicable authority under the Laws of the State of Maine thereto enabling, the Town of Southwest Harbor is hereby authorized to borrow from the Maine Municipal Bond Bank (the "Bond Bank") a principal amount not to exceed One Million Six Hundred Seventy-Eight Thousand Dollars (\$1,678,000) the proceeds of the loan to be used to finance improvements to the Town's infrastructure systems including, but not limited to road, water, sewer and stormwater improvements on Wesley Avenue and Mansell Lane in the Town of Southwest Harbor (the "Project"), said loan to be evidenced by the 2010 General Obligation Bond of the Town of Southwest Harbor, for a term not to exceed twenty-five (25) years, to be executed on behalf of the Town by the Town Treasurer and counter-signed by at least a majority of the Board of Selectmen and to be at such interest rates may be established by the Bond Bank and approved by the Treasurer and majority of the Selectmen with such maturities, and to be on such further terms and conditions as may be prescribed by the lender (the "Bond").

VOTED: That the Town Treasurer or the Chairman of the Board of Selectmen of the Town be and each of them hereby is authorized for the foregoing purposes to make application to the Maine Municipal Bond Bank for sale of the Bond, and to execute a Loan Agreement with the Bond Bank in such form as the Bond Bank may require, and further, that the Town Treasurer, Clerk and Chairman of the Board of Selectmen be and

each of them hereby is authorized to take such action to execute any and all documents, affixing the seal of the Town where necessary, in order to carry into effect the full intent of the foregoing votes or any of them.

VOTED: That all actions heretofore taken by the municipal officers of the Town of Southwest Harbor relating to the issuance of the Bond to the Maine Municipal Bond Bank and they are hereby ratified, approved and confirmed.

VOTED: That pursuant to the requirements of the Internal Revenue Code of 1986, as amended, the Town designates the Bond to be a "qualified tax exempt obligation" of the Town, and that the Town shall not issue in 2010 an aggregate total amount of qualified tax exempt obligations in excess of \$30,000,000. Further, the Town does not reasonably expect to issue qualified tax exempt obligations in an amount in excess of \$5,000,000 during 2010.

VOTED: That the Town shall take any and all actions required under the Internal Revenue Code of 1986, as amended, to maintain the tax exempt status of the interest on the Bond, and to maintain the status of the Bond as a "qualified tax exempt obligation" of the Town, and that the Bond may be subject to such further terms and conditions as may be agreed to by a majority at least of the Board of Selectmen and the Treasurer of the Town to carry into effect the full intent of this vote.

VOTED: That one or more Bonds in the aggregate principal amount of \$1,678,000 may be sold to the Maine Municipal Bond Bank.

VOTED: That authority to allocate and designate one or more of the Bonds, in whole or partial maturities, in varying principal amounts, as any of tax exempt, Build America Bonds, recovery zone economic development bonds, qualified school construction bonds and/or qualified energy conservation bonds is hereby delegated to the Chairman or the Treasurer of the Town.

VOTED: That authority to invest that portion Bonds constituting the debt service reserve fund in a taxable bond issued by the Bond Bank is hereby delegated to the Chairman or the Treasurer of the Town.

VOTED: That the law firm of Eaton Peabody is hereby designated as bond counsel for the Town to advise the Town with respect to the issuance and sale of the Bond, and to prepare documents and render opinions as may be necessary or convenient for the purpose.

VOTED: That the Town Treasurer or the Chairman be and each of them hereby is authorized for the foregoing purposes to make application to the Maine Municipal Bond Bank for sale of the Bond, and to execute a Loan Agreement with the Bond Bank in such form as the Bond Bank may require, and further, that the Town Treasurer, Clerk and Chairman of the Board of Selectmen be and each of them hereby is authorized to take such action to execute any and all documents, affixing the seal of the Town where necessary, in order to carry into effect the full intent of the foregoing votes or any of them.

- IX. Other Business: Wilson suggested Manager's report be moved up to after the approval of the minutes in future agendas. Board agreed.

Andrew Mays asked if the Board would still consider his appointment to the Harbor Committee this evening. It was Moved Dunbar and Seconded Minctons to appoint Andrew Mays to the Harbor Committee. Vote: 5 – 0.

- X. Sign Warrants: It was Moved Wilson and Seconded Bickford to approve the Warrants as presented. Vote: 5 – 0.

It was Moved Wilson and Seconded Bickford to go into Executive Session pursuant to 1 M.R.S.A. § 405 (6) (A) at 9:45 p.m. Vote: 5 – 0.

It was Moved Wilson and Seconded Bickford to come out of Executive Session at 10:06 p.m. Vote: 5 – 0.

It was Moved Wilson and Seconded Bickford to go into Executive Session at 10:07 p.m. Vote 5 – 0.

It was Moved Wilson and Seconded Bickford to come out of Executive Session at 10:30 p.m.

- XI. Adjournment: It was Moved Bickford and Seconded Wilson to adjourn the meeting at 10:31 p.m. Vote 5 – 0.