

**TOWN OF NAPLES**  
Board of Selectpersons  
Monday, January 28, 2008  
Minutes

In attendance: Christine Powers, Robert Caron Sr, Dana Watson, Karen Thompson, Rick Paraschak, Derik Goodine, Skip Meeker, John O'Donnell

**The Public Hearing was called to order at 7:03 PM.**

**Public Hearing for Liquor Licensing for Sydney's Restaurant**

Sydney's Restaurant is applying under new ownership as of 3/5/08. An attempted assault charge was reported from 1992. The corporate name is American Diner, Inc, dba as Sydney's Restaurant. No prior infractions were noted against the previous owners. *Mr. Watson made a motion to close the Pubic Hearing; seconded by Mr. Caron. All were in favor.*

**Public Hearing for Liquor Licensing for Northshore Tavern**

Northshore Tavern is requesting a renewal with same business and the same ownership as the prior application. No prior infractions were noted. *Mr. Watson made a motion to close the Pubic Hearing; seconded by Mr. Caron. All were in favor.*

**Public Hearing for Automobile Graveyard/Junkyard Permit for Neil Thompson**

Lambs Mill Road Automobile Graveyard/Junkyard is requesting a renewal with same business and the same ownership as the prior application. No complaints from the Code Enforcement Officer were noted. *Mr. Watson made a motion to close the Pubic Hearing; seconded by Mr. Caron. All were in favor.*

**Public Hearing for Automobile Graveyard/Junkyard Permit for Scott Kimball**

Scott Kimball's Automobile Graveyard/Junkyard is requesting a renewal with same business and the same ownership as the prior application. No complaints from the Code Enforcement Officer were noted. *Mr. Watson made a motion to close the Pubic Hearing; seconded by Mr. Caron. All were in favor.*

**Board of Selectpersons Meeting 1-28-2008**

Mrs. Powers called the Board of Selectpersons meeting to order at 7:07 PM.

**The first item on the agenda was the approval of the Liquor Licenses and Permits as discussed in the Public Hearings.** *A motion was made by Mr. Watson to approve the Liquor Licenses for Sydney's Restaurant and Northshore Tavern; seconded by Mrs. Thompson. Mr. Paraschak gave a word of "Welcome and Good Luck" to the new owners of Sydney's Restaurant. All were in favor. A motion was made to approve the Automobile Graveyard/Junkyard Permits for Neil Thompson and Scott Kimball; seconded by Mrs. Thompson. All were in favor.*

## New Business

**The first item of New Business is the Ordinance Review Committee's proposed revision of the Shoreland Zoning Ordinance.** Skip Meeker presented the changes. *The concern was with the of marinas; how they were to be reviewed and approved.* The wording was changed from "as determined by the marina operator and subject to review by the Harbormaster", to "as determined by the Harbormaster and reviewed and approved by the Planning Board". This brings all changes before the Planning Board. All changes to the Shoreland Zoning Ordinance as proposed will be reviewed at a Public Hearing in the future.

**The next item is a presentation from the MSAD #61 School Board of Directors.** Representatives from the School Board presented information about the 06-07 and 07-08 school years. Mr. Goodine was thanked for his service on the committee for use of facilities in the School District. Mr. Caron was thanked for his participation on the Regionalization Committee. The previous school year of 06-07 was recently audited. It was noted that Naples is scheduled for a 12.9% increase in the land valuation from the State of Maine for 07-08. All four communities are experiencing the land value increase, which impacts the amount of State Subsidy MSAD #61 receives. The forecast was that MSAD #61 would receive a reduction of 2.5 million dollars for 07-08. MSAD # 61 filed a Regionalization Plan that was submitted to the State of Maine on September 1, 2007, and that plan has been approved. MSAD #61 will remain as the four-town unit which will eventually be called an RSU, and additional financial detail will have to be submitted at that time. Budget development has been in process since October and the budget will be presented to the School Board in February 2008. A bill recently went into the legislature for approval, requiring a Validation Referendum Process in order to pass the budget, which requires a public meeting and then a referendum vote. The four Town Managers were asked what impact such a process would have on the Towns, but the legislature was postponed until all other School Districts had submitted their Regionalization Plans. In the meantime, MSAD #61 has been proceeding with reorganization as detailed in the Plan submitted, including the completion of the lower level of Lake Region Middle School. The project has been brought before the Facilities Committee, but has never been given the authorization to go ahead. It has been recommended as a priority so that a consolidation of the number of buildings being operated in MSAD #61 could move forward, cutting costs. The estimated cost of the project is 830,000. If this project were to be completed, Grade 6 students from all the elementary school would be moved to the new facility as of the 08-09 school year, making the Middle School a 6-8 grade complex. This would set in motion closing Casco Memorial School to complete a first-round recommendation from the Regionalization Committee. In the 07-08 budget year, the amount required from each Town is not scheduled to increase; the Fund Balance is to be used to offset any necessary increases as well as the seed money for the project to be completed. Mr. Caron asked how MSAD #61 amassed a surplus of 1.8 million dollars. A representative answered that of the 1.8 million, 800,000 was received during 06-07 as unanticipated revenue: 300,000 from Medicaid, 350,000 from the previous school year, 167,000 from State Subsidy, 70,000 from Interest Income, and 1 million unexpended from the previous year's expense budget

with the largest portion of that being 587,000 unexpended from Special Education. The staff was asked to be aware of the State Subsidy cuts and to adjust their spending accordingly. Mr. Caron requested that the written report of the 1.8 million be submitted to the Select board. Mr. Paraschak was concerned that the 06-07 Fund Balance was not used to offset the 07-08 Budget Year before the taxes for the individual Towns had been committed and billed to the taxpayers. Mr. Paraschak also asked whether or not the School Board is allowed to use the Fund Balance available without first notifying the individual Towns. The representative confirmed that the School Board does have the authority to use up to 5% of the total budget as long as the bottom line does not go over the 26 million figure approved for their budget. That authority is given to the School Board every year on the warrant that is voted on by the Townspeople. It was noted by another MSAD #61 representative that the proposed budgets for the next school year are done early and that the State Subsidy notices have been arriving late, so their Finance Committee uses the best information that they have at the time of their budget proposal, otherwise, certain time deadlines would not be met. MSAD #61 shares the concern of Mr. Paraschak that was noted. Mr. Paraschak asked if Fund Balance for 07-08 was being looked at *now* to be included in the 08-09 budget. The representative affirmed that they were. A representative noted that transportation issues have been looked into for cost effectiveness including increasing the walking distance to 1.5 miles for middle and high school students and 1 mile for elementary students.

## **Old Business**

**The first item of Old Business is Revaluation.** John O'Donnell from O'Donnell and Associates presented information about the upcoming revaluation and the professional relationship that the Town of Naples has had with O'Donnell and Associates over the past few decades. Mr. O'Donnell had mailed a letter about the revaluation, noting that under Assessment Standards, Towns are expected to maintain an average assessment ratio of 70%. On a graph that was shown, preliminary numbers for 06-07 year were 52% for waterfront properties and 67% for rural properties; dropping below the 70% guideline. At the time of the last revaluation in 01-02, the intention was to hit Fair Market Value (FMV), but the spike in sale prices was something that needed to be considered to avoid property being over-assessed in comparison to FMV. The decision was to err on the side of caution to avoid that problem. From 02-06, the sale prices rose dramatically so the problem anticipated never became realized, but now that the sale prices are on a down-turn, taxpayers are assuming that since they can no longer sell their properties for the higher prices, that the value of those properties has gone down as well, which is not the case. Mr. O'Donnell notes that he has never seen a noticeable, significant drop in the real estate values. In his opinion, we are starting to see a plateau in the real estate values that should continue into the foreseeable future, which would make this the best possible time to proceed with a revaluation for a few reasons: 1) If this *is* a plateau, it is better to equalize the values and have the benefit of fair distribution of the taxes for the foreseeable future until the market changes again; and 2) It has been 6 years since the last revaluation and the ability to conduct a valuation update will diminish if too much more time passes and a full valuation may become necessary. Mrs. Powers noted that the cost may have played a part in the Town's decision to put off the revaluation in

the past. Mr. Caron noted that, in his opinion, the year to come was going to be more drastic than the year before so he wasn't sure that the prices have plateaued, but he was willing to discuss that position with the Select board when the time came. Mr. O'Donnell replied that he was more concerned with equalizing disparity of average assessment ratios of classes of property to distribute the values fairly, than properties being assessed at 90-100% of their value. Mr. Paraschak queried Mr. O'Donnell about what the actual process of revaluation entails. Mr. O'Donnell stated that since his Assessors visit at least 500 properties every year for valuation assessments, he feels they have a reliable inventory, so that cost will not need to be included in the revaluation. What it does include, is an analysis of sales, scheduled development, and reviewing past valuations by sending letters out to property owners, giving them the opportunity to make an appointment to discuss their assessments and participate in the value process. A review would be done after the property-owner meetings and the revaluation would be presented to the Town. Mrs. Powers replied that she has been aware of the property owner's distrust of the revaluation process since they hear discouraging stories from property owners in other towns. Mr. O'Donnell understands this issue and hopes to allay those fears by following the procedure he has laid out. Mr. Paraschak asked if Naples would be at 100% value when the revaluation is complete. Mr. O'Donnell sees it as a moving target, but would be pleased to come out at 95-100%, noting that he would not like to see Naples under 90%. Skip Meeker asked what the estimated cost would be, to which Mr. O'Donnell replied that the estimated cost is 111,000.00. Mr. Caron posed a question about the mortgage crisis affecting values. Mr. O'Donnell answered that considering the market itself, what will happen is that sellers won't sell their homes at a substantial loss unless they are forced to; most will take the home off the market until they can get the price they are asking for or close to it. One way to look at this is to review their asking prices for their property in comparison to what similar properties have bought and sold for in past years. Mr. Paraschak commented that as the percent valuation goes down, so does the Homestead exemption, including the State's portion and some of the difference may make up the cost of the revaluation in the long run. Mrs. Powers thanked John O'Donnell for his presentation. *Mr. Paraschak made a motion to sign the revaluation update proposal as presented by O'Donnell and Associates; seconded by Mr. Watson.* Mr. Caron stated that he would prefer to see Naples put this process out to bid to get competitive pricing, similar to Harrison. Mr. O'Donnell replied that he was involved in the Harrison bid process, which called for a full valuation, and had quoted the bid as a computerized assessing system. The bid that Harrison accepted was for a full valuation with a manual assessing system since that town was not prepared to have a computerized assessing system. In this way, it seemed that Harrison saved money, but they were not getting the level of service that Naples requires to do the entire job smoothly, and to the satisfaction of the taxpayers. Mr. O'Donnell feels that in putting this project out to bid, it would have to be classified as a full valuation bid instead of a revaluation and the cost could more than double if there *are* any bids. Mr. Caron stated that his personal opinion was that putting this project out for bid during these economically hard times is what is owed to the taxpayers showing that the Select board has done their due diligence on their behalf. Mt Watson stated that the next time the revaluation comes due, it may be a possibility. Mr. O'Donnell noted that Naples having a computerized assessing system may significantly reduce the need for a full valuation in the future and might make

periodic valuation updates the normal procedure, showing cost effectiveness. This new procedure makes the process easier to bid on, in general, but he would like to state that his company is one of the only ones in the State that will make a bid on a project like that. Mr. Caron had previously requested that Mr. Goodine call the Town Manager of Harrison to dialogue about the assessing bid process Harrison had gone through, as previously talked about, and would like to know the outcome of that conversation. Mr. Goodine confirmed that while he did not have a chance to have a lengthy discussion with Mike, the result of the bid was as Mr. O'Donnell confirmed it; Harrison had not gone with the computerized assessing system and as a result, had gone with the lower bid. Mr. Meeker supports the idea of a bid process for this project. Mrs. Powers and Mr. Watson suggest that a more appropriate time for such a bid should have been a few years before this one. *Vote 4-1.* Mr. O'Donnell will define the timeline for revaluation with Mr. Goodine and proceed as outlined during the presentation and detailed in the contract.

**The next item of Old Business is Naples State Bridge Replacement.** Mr. Goodine reminded the Select board that the Public Hearing on this issue would be held on January 30 at 7:00 pm at Songo Locks School. A meeting previously held with individuals from the Songo River Queen, independent sailboat sailors and newspaper reporters discussed the Bridge project in detail. One major item discussed was the cost of the proposed swing-bridge and the idea to move the Dispatch Center to that facility to have more control over the operation and opening. If the window looked out over the Causeway it may eliminate the need for the Causeway Sheriff because of the additional oversight. Further discussion will be held at the Public Hearing.

**The next item of Old Business is Long Lake Access.** Mr. Paraschak formally thanked all the groups that participated in completing the Ramp Access: the Snowmobile Clubs, local Lumber Yards and all the many community volunteers. The Ramp has been in use and it is greatly appreciated. Mr. Goodine has also heard positive feedback from townspeople about this project. Mr. Caron replied that it was a community-action project that helps makes a community work well.

**The next item of Old Business is Water Filtration.** *Mr. Watson made a motion that the water filtration system not be installed; seconded by Mr. Caron.* Mr. Goodine had a discussion with the State and the result was that since neither the Drinking Water Program nor DHHS are requiring our facility to have a filtration system for the level of Uranium this facility has shown in the test results. Posting signs informing the public "not to drink the piped water" would be sufficient for our needs. Mr. Paraschak also discussed the results with members of the State Departments and received the same information as Mr. Goodine. Mrs. Powers would prefer the filtration system. *Vote 4-1.*

**The next item of Old Business is the TIF Project Timeline.** Mr. Goodine does not have all the information, but expresses his requirement for its approval at a Special Town Meeting before April 1, 2008 in order to have the submissions done as of the previous assessing year to capture values of recent developments on Route 302. Mr. Goodine will report back as soon as he gets more information.

**The next item of Old Business is the Singer Community Center Grant.** Mr. Goodine states that the Grant is 90% complete. Replacing the window with double-paned windows is a suggestion.

**The next item of Old Business is the Cumberland County Assessing.** Mr. Goodine spoke with a councilor of the City of Portland who feels that their city would benefit from such a process because of questions from their taxpayers. The participation guidelines have not been set as of right now. Software sophistication comparison between towns had been discussed.

**The next item of Old Business is the Bulky Waste Facility.** Mr. Caron has copied a summary of a previous meeting. A decision was made by the Bulky Waste/Transfer Station Council to form a Committee to review the possible proposed budgets because of a projected revenue decline since the implementation of coupon systems for Raymond first and then Naples. This facility has been a good venture for all communities involved. The possibility of the facility being run by a private entity has been raised again and is still being reviewed further, based upon revenue projections.

### **Tabled Items**

**Lakehouse Road Discontinuance** – Nothing new.

**Manager's Report** – Nothing new.

**Consent items** – Mr. Goodine has two-year appointments for the following: Rita Snow as Registrar of Voters, Cheryl Harmon and Judy Whynot as Deputy Registrar of Voters, and Beth Chaplin, Cheryl Harmon and Janice Barter as Ballot Clerks. *Mr. Watson made a motion to approve all the appointments as listed; seconded by Mr. Caron. All were in favor.*

**Approval for Grants** – Mr. Goodine is requesting official approval for two CDBG grants, one of which is for the Singer Center Improvements, the other is for the Beach Changing Room Facility, and the Delivery of Local and Regional Services Grant. *Mrs. Thompson made a motion to approve all the grant applications as outlined by Mr. Goodine; seconded by Mr. Watson. All were in favor.*

**Correspondence** – **A memo from the Town Clerk, Judy Whynot,** states that May 20' 2008 are town elections and the school budget vote; nomination papers are available February 25, 2008 and must be returned by April 5, 2008; positions available are: 2 Selectmembers for 3 years, 4 Budget Committee members for 3 years, 1 Planning Board member for 3 years, 1 MSAD #61 School Director for 3 years and 1 Transfer Station Council Member for 3 years. It is possible that there is one more position open on the Transfer Station Council, but more research is being done. June 10, 2008 will be the State primaries and referendum vote, with the Annual Town Meeting date to be set and presented to the Select board by the Town Manager.

**A letter of “Thanks” to the Dispatch & Rescue Department** for their services to the community, as written by a community member after a recent incident.

**Other Business as Appropriate** – Mr. Goodine foresees a potential expense in the future for the gasoline/diesel storage tank at the Fire Station that has rusted through and has had the gasoline removed because of water in the line. Mr. Paraschak gave further detail in that the facility vehicles no longer use gasoline and have an account at Tommy’s for use when they do, maybe delaying the need for replacement. Mr. Goodine had previously placed a claim with MMA which was denied, so is simply noting that possible Town funding may be necessary to replace the unit.

Cumberland County is offering a Lead Paint Removal Program involving grants for individuals or low-cost loans. Information is available at the Town Office.

*Mr. Paraschak made a motion to sign the extended contract for Town Manager Derik Goodine; seconded by Mr. Watson. All were in favor.*

**Payroll and Payables were signed.**

*Mr. Watson made a motion to adjourn at 9:35 PM; seconded by Mr. Caron. All were in favor.*

Respectfully Submitted,

Cathy Markavich