

**Town of Mount Desert
Selectboard Meeting Minutes**
Monday, April 20, 2021
Location: Zoom Meeting

This Meeting was held via remote access.

Selectboard Members Present:

Chair John Macauley, Wendy Littlefield, Matt Hart, Geoff Wood, Martha Dudman

Town Officials Present:

Town Manager Durlin Lunt, Town Clerk Claire Woolfolk, Harbormaster John Lemoine,
Tax Assessor Kyle Avila

Members of the public were also in attendance.

I. Call to order at 6:30 p.m.

Chair Macauley called the Meeting to order at 6:32PM.

II. Public Hearing(s) Rescheduled from April 5, 2021

*A. Northeast Lobster Co. LLC d/b/a The Nor'Easter 10 Huntington Rd, Northeast
Harbor request for Liquor License and Special Amusement Permit*

Chair Macauley reminded the Board that the Liquor License was approved at the last meeting because it was time-sensitive.

Chair Macauley opened the discussion for Public Comment.

Neighboring property owner Dan McKay pointed out that the Application requests permission for dancing with mechanical amplification and requested clarification regarding the meaning of this request. He stated the restaurant is located in the middle of a residential neighborhood. Mr. McKay asserted that he and other neighbors were concerned with the level of noise emanating from the restaurant and rowdy behavior of the patrons in the parking lot.

Mr. McKay acknowledged that these issues were not problems last year under current management. These issues occurred only under past ownership.

Owner Adam Fraley reported that he has made efforts to reach out to as many neighbors of the restaurant as possible. It is his intent to be cautious and mindful of noise this year, just as he had last year. In addition to the neighbors in the area, the restaurant is attached to the hotel, and must be mindful of guests.

Regarding mechanical amplification and dancing, this was part of the previous year's application and his request is no different than what was approved last year.

1 Mr. McKay appreciated the owners' efforts last year. Nevertheless, he is concerned
2 about the term "mechanical amplification". The term could mean anything at any
3 volume. He requested assurance that the level of noise this year will be comparable to
4 what it was last summer and that the owners will be sensitive to the fact that there are
5 residences in the neighborhood.

6
7 Mr. Fraley assured Mr. McKay that he was mindful of the neighborhood concerns. He
8 noted that a radio can be deemed mechanical amplification.

9
10 Ms. Dudman noted the previous owner agreed not to have amplified music on the deck.

11
12 Mr. Fraley reported that the restaurant used one musician on the deck with an acoustic
13 guitar. He is applying for the permit with no restrictions.

14
15 There was no other Public Comment.

16
17 *B. Mandy Fountaine/DBA Abel's Lobster Pound (On The Shore, LLC) Request for Liquor*
18 *Special Amusement Permit Renewal*

19 Chair Macauley requested Public Comment. There was none. Representatives of Abel's
20 Lobster Pound were not in attendance.

21
22 **III. Post Public Hearing**

23 MOTION: Mr. Hart moved, with Ms. Dudman seconding, approval of Northeast Lobster
24 Co. LLC d/b/a The Nor'Easter 10 Huntington Rd, Northeast Harbor request for Special
25 Amusement Permit, as presented.

26 Motion approved 5-0.

27
28 MOTION: Mr. Hart moved, with Ms. Dudman seconding, approval of Mandy
29 Fountaine/DBA Abel's Lobster Pound (On The Shore, LLC) Request for Liquor License
30 Special Amusement Permit Renewal, as presented.

31 Motion approved 5-0.

32
33 **IV. Minutes**

34 *A. Approval of Minutes from March 29, 2021 Special Meeting*

35 MOTION: Mr. Wood moved, with Ms. Littlefield seconding, approval of Minutes from
36 March 29, 2021 Special Meeting, as presented.

37 Motion approved 5-0.

38
39 *B. Approval of Minutes from April 5, 2021 Special Meeting*

40 MOTION: Mr. Wood moved, with Ms. Littlefield seconding, approval of Minutes from
41 April 5, 2021, as presented.

42 Motion approved 5-0.

43
44 **V. Appointments/Recognitions/Resignations**

45 *A. Appoint Ballot Clerks under Title 30-A, MRSA, Section 2528 for 2021 Annual Town Meeting*

46 Town Clerk Claire Woolfolk noted the list needs to be updated. She's contacted all available
47 clerks on the list and they have confirmed they are willing to serve.

1
2 MOTION: Ms. Dudman moved, with Mr. Hart seconding, Appointment of Ballot Clerks
3 under Title 30-A, MRSA, Section 2528 for 2021 Annual Town Meeting, as presented.
4 Motion approved 5-0.

5
6 *B. Appoint Bi-Annual Election Clerks under Title 21-A, MRSA, Section 503*

7 MOTION: Mr. Hart moved, with Ms. Littlefield seconding, Appointment of Bi-
8 Annual Election Clerks under Title 21-A, MRSA, Section 503, as presented.
9 Motion approved 5-0.

10
11 *C. Consider appointment of Kerri Sands to the Economic Development Committee*

12 MOTION: Ms. Dudman moved, with Ms. Littlefield seconding, Appointment of
13 Kerri Sands to the Economic Development Committee, as presented and with thanks
14 for her willingness to serve.
15 Motion approved 5-0.

16
17 *D. Consider recommendation of appointment of Jacob Wright as Director of Finance
18 and Treasurer*

19 Town Manager Lunt voiced his appreciation for the Maine Municipal Association,
20 Police Chief Jim Willis, Bar Harbor Finance Director Sarah Gilbert, and citizen
21 volunteers Brian Henkel and John Brown for their assistance during the hiring
22 process.

23
24 MOTION: Mr. Wood moved, with Ms. Littlefield seconding, appointment of Jacob
25 Wright as Director of Finance and Treasurer, as presented.
26 Motion approved 5-0.

27
28 *E. Consider recommendation of appointment of Seasonal Dock Hands and Boat
29 Launchers*

30 MOTION: Mr. Hart moved, with Ms. Dudman seconding, appointment of Seasonal
31 Dock Hands and Boat Launchers, as presented.
32 Motion approved 5-0.

33
34 **VI. Consent Agenda** *(These items are considered routine, and therefore, may be passed by the Selectmen in one blanket motion.
35 Board members may remove any item for discussion by requesting such action prior to consideration of that portion of the agenda.)*

36 *A. Health Care Resolve*

37 *B. Hancock County Commissioners Meeting Minutes of March 23, 2021*

38 MOTION: Ms. Dudman moved, with Mr. Wood seconding, Acceptance of the Consent
39 Agenda as presented.
40 Motion approved 5-0.

41
42 **VII. Selectmen's Reports**

43 Ms. Dudman reported on conversation in the Economic Development Committee
44 regarding the availability of parking in Northeast Harbor and in Seal Harbor. There may
45 be issues regarding parking in other villages as well. She believed Police Chief Willis
46 and Public Works Director Smith have discussed possible solutions. The Traffic
47 Committee has not been active in years. Ms. Dudman felt the issue might best be

1 handled by Public Safety. She hoped some potential solutions could be brainstormed.
2 Chair Macauley agreed. Mr. Hart added that the Harbor Committee has discussed the
3 issue of cars left at the marina all day. He agreed that Chief Willis might be the best
4 option for developing practical solutions. Ms. Littlefield agreed. Mr. Wood's only
5 concern is asking Public Safety to address an issue that may not be a public safety issue.
6 Issues such as the Town's economy and quality of life must also be considered in
7 addressing this problem. Chair Macauley noted Chief Willis would not be developing
8 policy. He's been involved in the issue for years, and it would be better to allow
9 someone with experience and acumen for the situation to take the lead, as opposed to
10 pulling a committee together.

11
12 Resident Ellen Kappes asked if the topic has arisen because MD365 now has a building
13 with organizations and residences on Main St.

14
15 MD365 Director Kathy Miller believed the issues MD365 and COA have had with their
16 buildings echo concerns local businesses and residents have about parking in downtown
17 Northeast Harbor, particularly in the summer months. If the Town wants to bring more
18 year-round people to the community, and attract more businesses, a lack of available
19 parking will become a barrier to that goal, perhaps one that could be easily solved. She
20 pointed out as an example the Town has a large parking lot that bans overnight parking.
21 The MD365 building plans were scaled back in size to add parking due to concerns
22 voiced.

23
24 Changes to the Ordinance may be necessary. Ms. Miller thought the intent was to have a
25 small group of residents weigh in. Ms. Dudman felt that Chief Willis would figure out
26 who would be best to work on the issue.

27
28 **VIII. Unfinished Business**

29 *A. Finalize and Sign Warrant for Annual Town Meeting May 3 & 4, 2021*

30 Manager Lunt stated Board Members would have to come to the Town Offices to sign off
31 on the Warrant. The Warrant must be signed by Selectboard Members by Thursday,
32 April 22, 2021 and posted by Friday, April 23, 2021.

33
34 Two Board Members were not available to sign the Warrant by this time.

35
36 Mr. Wood noted a misspelling in the opening letter as well.

37
38 *B. Request permission to change Dates for Vital Records Training from April 14 to April 27*
39 *(1pm – 2:30pm – clerk's office closure) per the announcement sent from Vital Records,*
40 *Cynthia Fortier*

41 Clerk Woolfolk reported that Vital Records changed one of the training dates already
42 approved by the Board.

43
44 MOTION: Ms. Dudman moved, with Mr. Hart seconding, approval of the request to
45 change Dates for Vital Records Training from April 14 to April 27 (1pm – 2:30pm –

1 clerk's office closure) per the announcement sent from Vital Records, Cynthia Fortier, as
2 presented.

3 Motion approved 5-0.

4
5 Town Manager Lunt noted an additional Item that should have been on the Agenda; to
6 confirm final details of the Annual Town Meeting open floor meeting at MDI High
7 School May 4, 2021, 6:00PM.

8
9 In response to the discussion held at the April 5, 2021 Selectboard Meeting, he's arranged
10 for Wallace Tent to set up 60 chairs nearer the microphone for those who would prefer to
11 sit outside their cars. Social distancing regulations will be observed.

12
13 Mr. Hart felt 60 chairs should suffice. He noted that the mask mandate applies to out of
14 doors as well.

15
16 Assessor Kyle Avila confirmed the plan was to live-stream the meeting through Youtube
17 as it was last year. The stream will not be interactive. Last year's meeting was supposed
18 to be on the radio as well. Radio coverage did not happen due to technical difficulties;
19 however Wallace Tent has assured the Town that it will occur this year. Assessor Avila
20 believed the radio range is short. It will not be broadcast on a station.

21
22 Manager Lunt reported there were 62 attendees last year. Mr. Wood guessed there could
23 be more attendees due to the fire station discussion. He felt procuring more chairs might
24 be wise; it was better to have too many than not enough. He hoped the Town would not
25 feel compelled to police the crowd to prevent people from sitting closer together.

26
27 Resident Carmen Sanford stated that the microphones were a problem last year. It was
28 difficult to hear, and people were required to leave their car and walk to the microphone.
29 More microphones and a better sound system are needed. She felt it intimidated people
30 to have to walk to the microphone.

31
32 Mr. Wood suggested wireless microphones might make it easier.

33
34 Ms. Littlefield suggested using a chat function, allowing residents to submit a question
35 electronically. Assessor Avila noted it might be possible, but he reminded the Board of
36 difficulties the Selectboard and Warrant Committee have had with things like taking
37 votes on a Zoom platform. There is now very little time for researching new meeting
38 formats. Manager Lunt believed that votes would have to be taken verbally.

39
40 Mr. Hart agreed it was not an ideal situation. He felt that the Town has tried to meet the
41 logistics creatively. In the end, residents may have to work with a less than ideal
42 situation.

43
44 Mr. Wood believed some people would be uncomfortable even when Town Meetings can
45 once again occur inside. He felt the Town should be thinking creatively on how to allow

1 residents to voice their opinions. Chair Macauley agreed that having a variety of ways
2 for residents to give voice is better for the Town.

3
4 Mr. Wood suggested an email account could be set up that residents could send emails.
5 Someone could be on hand to monitor the email and relay the questions. There would, of
6 course, be no way to guarantee all questions or comments are shared, but it would show
7 residents the Town is trying to accommodate. Mr. Hart worried it would be too
8 cumbersome to try for this year's Town Meeting.

9
10 Ms. Dudman asked if there was a way to have a wireless microphone on hand that could
11 be brought to residents. Chair Macauley noted a wireless microphone has been used at
12 the indoor Town Meetings in the past. If the same equipment and a source of electricity
13 is available it should work. Manager Lunt agreed to touch base with Wallace.

14
15 Ms. Kappes suggested people write out questions on cards and submit them. Chair
16 Macauley agreed there were many ways to accommodate.

17
18 Mr. Hart hoped the issue could be resolved. He worried the issue may fall to Assessor
19 Avila as the de facto technician for many of the Town's virtual meetings. It was unfair to
20 leave it undecided with only three weeks before the Town Meeting. Mr. Hart noted that a
21 resident will be able to sit in their car, and go to a microphone, or have one brought to
22 them, or they can sit in chairs provided and go to a microphone, or have one brought to
23 them. Residents are being accommodated. Microphones are used at Town Meetings in
24 the gym.

25
26 Chair Macauley did not feel the issue was being left for the Assessor to handle. Zoom
27 and other virtual venues are used every day.

28
29 Ms. Dudman felt that providing a wireless microphone would be helpful.

30
31 Resident Donna Reece supported setting up an email for questions. Perhaps emails could
32 be submitted during a certain period of time with someone on hand to monitor and read
33 them. She agreed with Mr. Wood's prediction that some residents next year may likely
34 be uncomfortable with a large indoor meeting. Accommodations may still be necessary
35 or preferred.

36
37 Ms. Sanford asked what the date was when the Annual Town report will be available for
38 the public. Clerk Woolfolk noted it was at the printers. She anticipates it being available
39 the following week. The Warrant Articles are in this meeting's Board packet.

40
41 Mr. Wood felt that an email specific to Town Meeting 2021 could be created quickly and
42 easily and posted for residents to use. Someone could be found to keep the email going
43 and review and monitor during the meeting. Mr. Wood suggested using an email as well
44 as making two wireless microphones available. Mr. Hart asked about the timing of the
45 emails. Could this create a situation of a resident sitting at home asking a question about
46 a Warrant Article voted on several minutes prior. Mr. Wood felt this would be part of the

1 job of the person monitoring the email; to stay on top of the emails. He felt it was
2 important to encourage more participation and not less. It might be inefficient, but it's
3 important. The Town needs to do anything it can to allow reasonable access to as many
4 people as possible.

5
6 Resident Katrina Carter asked about the potential lag time for questions that might be
7 asked. An internet connection requires connectivity for all those in attendance. She
8 pointed out that a question was asked on the SelectBoard Chat during the current meeting
9 that was not noted. Mr. Wood noted that he was aware of the question in the Chat,
10 however, he is not aware of the protocol for who makes note of Chat questions and
11 responds.

12
13 In answer to the question on the Chat at this meeting, that of whether the Town Meeting
14 can be held via Zoom, it is not one of the permitted uses due to the issues surrounding
15 Town Votes.

16
17 Ms. Carter asked for clarification on whether or not a Town Meeting can be held via
18 Zoom, and people could comment via Zoom, but they could not vote via Zoom. Manager
19 Lunt stated that his interpretation of the rules is that because Town Vote is a part of Town
20 Meeting, a Town Meeting cannot be held via Zoom. Assessor Avila noted the number of
21 Zoom Attendees for the Town has a 500-person limit. Mr. Hart pointed out that a
22 largescale Zoom meeting was held recently, and those monitoring had a difficult time
23 keeping attendees muted at appropriate points. Mr. Wood noted that Zoom can be set so
24 all are muted and not able to unmute themselves.

25
26 **IX. New Business**

27 A. *Katherine M. Conley /DBA Lighthouse Inn and Restaurant 12 Main St Seal Harbor*
28 *request for Liquor License Renewal*

29 Clerk Woolfolk explained that Public Hearings are not required for Liquor License
30 Renewals, only for Special Amusement Permits.

31
32 MOTION: Ms. Dudman moved, with Mr. Wood seconding, approval of Katherine M.
33 Conley /DBA Lighthouse Inn and Restaurant 12 Main St Seal Harbor request for Liquor
34 License Renewal, as presented.

35 Motion approved 5-0.

36
37 B. *Dobbs Productions Inc. Request to Use Public Access Channel 1301 for summer 2021*
38 *and winter 2022.*

39 MOTION: Ms. Dudman moved, with Mr. Hart seconding, approval of Dobbs
40 Productions Inc. Request to Use Public Access Channel 1301 for summer 2021 and
41 winter 2022, as presented.

42 Motion approved 5-0.

43
44 C. *MDOT Sign recommendation for Nor'Easter approved at Planning Board Meeting 04/14/2021*

45 MOTION: Ms. Dudman moved, with Mr. Hart seconding, approval of MDOT Sign for
46 Nor'Easter approved at Planning Board Meeting 04/14/2021, as presented.

47 Motion approved 5-0.

1
2 *D. Annual Audit for Review prepared by James W. Wadman, C.P.A.*
3 Mr. Wadman presented the Annual Audit Report.

4
5 Pages 1 and 2 are the Opinion Letter. Mr. Wadman noted the Opinion this year is unmodified, indicating that
6 for the past fiscal year the financial statements that accompany the report are a fair representation in all
7 materials respects.

8
9 Pages 3 through 9 consist of the manager's discussion and analysis. This includes the Funds Highlight
10 Paragraph note ending fund balances for the Town this fiscal year at approximately \$12,935,000.00.
11 Unassigned Fund Balance stands at \$3,475,645.00.

12
13 Within the Audit other Towns are included for comparison, including Bar Harbor, Castine, and Tremont.
14 Mount Desert is running comparable to Bar Harbor and Castine in terms of dollars for surplus. In terms of a
15 percentage of expenses, Mount Desert runs comparable to Bar Harbor and Tremont. MMA recommends at
16 least 10 – 12% of expenses as a surplus. Mount Desert is at 20%.

17
18 On Pages 8 and 9 of the analysis, detail on budget versus actual variance for the past year, on both revenue
19 and expense side is included and the reasons for the increases and decreases between the two.

20
21 Financial Statements begin on Page 10. Pages 10 and 11 show government-wide statements with a balance
22 sheet and a revenue and expense report. Page 10 shows total assets for the Town. These are required to be
23 the first financial statements looked at, but they do not follow the Town's budget process. Page 12 and on
24 show the Town's budget process and internal accounting.

25
26 Page 16 through 18 show the financial statements for the Marina Funds. They are intended to be self-
27 sufficient.

28
29 Pages 21 through 57 are Notes to the Financial Statements. The first 16 pages cover general accounting
30 policies. The final 21 are required disclosures regarding post-employment benefits. Pages 25 and 26 include
31 a breakdown of all the various fund balances.

32
33 Page 58 shows the general operating fund comparing budget to actual and favorable and unfavorable
34 variances for the year. There were no budget modifications this year. While revenue did not come in quite as
35 high as expected, expenditures came in well below budget. The budget expected to reduce the Town's
36 surplus by \$500,000.00. Actual result was an increase in the surplus by over \$300,000.00.

37
38 Pages 67 through 70 review Revenues and Expenses in more detail. While revenues saw some minor
39 variances, expenses have come in lower than expected, likely due to the Covie-19 pandemic.

40
41 Page 71 includes a general summary of the financials.

42
43 Mr. Wadman pointed out information presented to the Town in relation to Debt Service. The Town ended the
44 year with approximately \$17.3 million in debt. This is less than 1% of the Town's State Valuation. The
45 Town is well within any statutory limitations allowed.

46
47 Mr. Hart inquired about the General Obligation Debt on Page 36 of the report and the jump in the principal in
48 2026 to 2030. What was anticipated to cause such a jump? Mr. Wadman explained they are required to show
49 the five most current years, and then five-year increments after that. This indicates five years' worth of
50 increase.
51

1 E. *Summer 2021 Retail Sidewalk Possibilities Discussion*

2 Manager Lunt added last year's plan to the Board's packet.

3
4 MOTION: Ms. Dudman moved, with Mr. Hart seconding, to approve a plan for sidewalk
5 retail and restaurant business similar to the 2020 plan, as presented.

6
7 Mr. Wood noted that the reason for allowing it last year is quite different to the
8 circumstances this year. He did not believe retail businesses would suffer as a result of
9 not having sidewalk retail. Ms. Dudman felt the intent was to support the businesses as
10 much as possible. Chair Macauley believed the sidewalk retail was helpful to the
11 businesses last year. He was amenable to continuing the sidewalk retail business this
12 year, but he did not feel it was something the Town would continue beyond the end of the
13 Covid pandemic. Mr. Wood's concern was regarding restaurants and the serving of
14 alcohol. Based on the projections implied by reservations so far, he did not feel it would
15 be necessary to continue the outdoor retail. It was Mr. Hart's recollection that alcohol
16 was not permitted to be served on the sidewalks. Chair Macauley felt the issue of alcohol
17 was addressed, though he did not remember the details.

18
19 Mr. Wood felt that outdoor retail accommodation should not be allowed other than for
20 assisting the businesses in staying afloat. He'd like input from the Police Chief and
21 businesses, and the Chamber of Commerce.

22
23 Mr. Hart reported on talking with Micky Sumpter of the Chamber. She reported that
24 based on the amount of phonecalls and emails regarding bookings, they anticipate a very
25 busy summer for visitation.

26
27 Motion approved 4-1 (Wood Opposed)

28
29 **X. Other Business**

30 A. *Such other business as may be legally conducted*

31 Ms. Dudman inquired about Caroline Pryor's Resolve. Manager Lunt noted it was in the
32 Consent Agenda, which was accepted.

33
34 **XI. Treasurer's Warrants**

35 A. *Approve & Sign Treasurer's Warrant AP2159 in the amount of \$539,245.39.*

36 MOTION: Mr. Hart moved, with Ms. Dudman seconding, approval and signature of
37 Treasurer's Warrant AP2159 in the amount of \$539,245.39, as presented.

38 VOTE:

39 Geoff Wood: Aye

40 Martha Dudman: Aye

41 Matt Hart: Aye

42 Wendy Littlefield: Aye

43 Chair John Macauley: Aye

44 Motion approved 5-0.

45

1 B. *Approve Signed Treasurer's Payroll, State Fees, & PR Benefit Warrants AP2157,*
2 *AP2158, and PR2124 in the amounts of \$2,345.00, \$1,989.00, and \$126,592.47,*
3 *respectively*

4 MOTION: Ms. Dudman moved, with Mr. Hart seconding, approval of Signed Treasurer's
5 Payroll, State Fees, & PR Benefit Warrants AP2157, AP2158, and PR2124 in the
6 amounts of \$2,345.00, \$1,989.00, and \$126,592.47, respectively, as presented.

7 VOTE:

8 Martha Dudman: Aye

9 Matt Hart: Aye

10 Geoff Wood: Aye

11 Wendy Littlefield: Abstains

12 Chair John Macauley: Aye

13 Motion approved 4-0-1 (Littlefield in Abstention)

14
15 C. *Acknowledge Treasurer's School Board AP/Payroll Warrants #11 and #21 in the*
16 *amounts of \$152,594.54 and \$83,968.49, respectively*

17 MOTION: Mr. Hart moved, with Mr. Wood seconding, acknowledgement of Treasurer's
18 School Board AP/Payroll Warrants #11 and #21 in the amounts of \$152,594.54 and
19 \$83,968.49, respectively, as presented.

20 VOTE:

21 Matt Hart: Aye

22 Geoff Wood: Aye

23 Martha Dudman: Aye

24 Wendy Littlefield: Aye

25 Chair John Macauley: Aye

26 Motion approved 5-0.

27
28 **XII. Adjournment**

29 MOTION: Ms. Littlefield moved, with Ms. Dudman seconding, to adjourn.

30 Motion approved 5-0.

31
32 The Meeting adjourned at 7:55PM.

33
34 Respectfully Submitted,

35
36
37
38 Wendy Littlefield