

Submitted by:

Approved by Selectmen:

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Adele M. Suggs  
Admin Asst

**TOWN OF PHIPPSBURG  
SELECTMEN'S MEETING MINUTES  
February 3, 2021**

*The Selectmen convened at 5:00 p.m. at the Town Hall with Selectman Young,  
Selectman House, Selectman Mixon and Administrator Jones present.*

**Reference (1) – Phippsburg Investment Committee Market Comment 12/31/2020**

**I. Adjustments**

**Vote: Selectman Young motioned to remove, under Unfinished Business, the status of filing a Section 125 until the Town Attorney finished her review and had more information. This adjustment was seconded by Selectman House and passed by a vote of 3-0.**

**II. New Business**

1. Meet with Planning Board Chair, Marie Varian, to discuss proposed ordinance amendments, new ordinances, and organizational items.

*Marie Varian, Planning Board Chair, stated that the Board had started this process last year, didn't meet through the summer, but have started again and had a couple of workshops. This isn't everything that the Board is talking about, but it is some of the larger items and Ms. Varian wanted to give the Selectmen a "heads up."*

- *The first item Ms. Varian spoke about was Marijuana – they are interested in the personal growing and personal use, with an opt-in for a store idea. She welcomed any comments from the Selectmen on any of the items she will be discussing. Selectman House asked if Ms. Varian had any inquiries regarding marijuana and her response was just talking interest – it hasn't gone any farther. Personal growing is quite simple. A Marijuana Ordinance would be its own separate Ordinance. Once they get some sample wording for Marijuana Ordinances from other towns they will pick one that suits Phippsburg.*
- *The next item is Timber Harvesting – when the State took it over the rules and regulations were already in the Town's Ordinance. It is not in the Land Use Ordinance but is still in Shoreland. They want to delete it out of Shoreland and get rid of it. It is regulated by the State of Maine and the Town has nothing to do with Timber Harvesting. There are rules for cutting bushes in the Shoreland Zone; they would need to see the Codes Enforcement Officer, Lee Rainey, about that.*
- *Ms. Varian stated that the Planning Board needs to increase the fees for advertising to cover the cost of the actual advertising; it's only used for Site Walks and Public Hearings. Fees for getting a Planning Board permit is under a one size fits all permit which is \$40. The Board is looking at other towns the same size as Phippsburg to see what they are doing with their fees. Ms. Varian would like to see wording for fees in the Ordinance be kind of open instead of setting it annually, but currently the fee is stated in the Ordinance. The Board of Appeals will also need to be*

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*onboard with their fees; Administrator Jones will check with Everett Perkins, Board of Appeals Chairman on this.*

- Next, the DEP has had different rules for setbacks in the Shoreline Zone. When it first went in to effect it was very close to Town Meeting. Ms. Varian explained that the farther back you are willing to move your building, if you can do it that way, or the farther back you are willing to build or expand the more footage you can get. It is mandated, but not pushed. It's been six years and talking with Jeff Kalinich at the DEP during the past couple of weeks he would like to see this addressed and be in compliance. The Planning Board will take a hard look at this.*
- Next on the agenda is the discussion about Public Notices. In the Land Use Ordinance and Shoreland Zoning Ordinance it states that a notice of a Public Hearing will be posted in two public places. Ms. Varian believes this is not being done. This needs to be done as she believes posting is valuable as not every one reads the newspaper. It is only advertised in The Times Record, not the Portland Press Herald. Going forward, the Town Administrator will ensure that it will be posted 7-14 days (preferably the 14) ahead, at both post offices, on the bulletin board outside Town Hall, Pine Tree, and Center Store like it used to be. It will also continue to be placed on the Town's Website and the CATV.*
- Someone has requested to check the setback from the Landfill to see if it could be less; currently it is 500'. Not sure what this may entail, but is on the list of things to look at. Administrator Jones will check with the DEP on this requirement.*
- Oxford Corner: All three of the Ordinances state that someone has to prove right, title or interest of the land they want to do something to. There is no comma after title. Ms. Varian picked up on this punctuation error and asked MMA about it. MMA responded while adding the comma is undoubtedly correct it is not necessary as a legal matter. However, it would require an Ordinance amendment. If they are working on an Ordinance, Ms. Varian suggests to put commas in all three ordinances.*
- The Ordinance governing the Planning Board – Ms. Varian provided samples of the old plan they are currently under and a sample of a new one if just starting a Planning Board where you can fill in the blanks. On page 2 of the old one, it tells the Board to prepare a Comp Plan. Ms. Varian feels that should be omitted. She is bringing this Ordinance up as there have been times there haven't been enough people, even with two alternates, to vote. When Ms. Varian checked into this she found out that the Statute the Board is under does require 5 members and 2 alternates. She also checked with MMA and they stated only that an Ordinance is required, which they have done and is established. Ms. Varian would like to see some different wording incorporated into the Ordinance and the sample Ordinance that she handed out is what MMA recommends. Ms. Varian would like to change the current Ordinance rather than create a new one. She would like the Selectmen to look it over. More people are needed on the Board; the Board can set their own number. Ms. Varian would leave the Board at 5 members and go for 4-5 alternates. Usually the 2 alternates have been enough, but that was before Covid-19. The Selectmen would like to have Ms. Varian and the Planning Board go through and see how the*

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*Ordinance can be changed. Selectman Young stated that between April 14<sup>th</sup> and 28<sup>th</sup> is when Warrant Articles will be due for Town Meeting.*

- *Historic Preservation Commission has turned in their proposed Ordinance and they want to meet with the Planning Board before Town Meeting, but have not set a date for that.*

### Unfinished Business

1. Reconsider strategies to maintain a safe and healthy work environment and public services in response to the pandemic Covid-19 – Town Meeting and Elections 2021.

*There are two contracts that need to be signed. One for the sound system with Head Light Audio Visual in the amount of \$1,773.45; will confirm a 10:00 a.m. start time versus 9:00 a.m. as listed on the quote. The second is for New England Tent and Awning in the amount of \$2,657 which excludes the riser.*

**Vote:** *Selectman House motioned to sign the Head Light Audio Visual and the New England Tent and Awning contracts, with the time changed to 10:00 a.m., which was seconded by Selectman Mixon and passed by a vote of 3-0.*

2. Discuss status of filing a Section 125 to accommodate the new medical plan offering. *This item was tabled until next week per adjustment motion above.*

### III. Correspondence

1. Thank you letter from Bath Area YMCA for the Town's donation of \$2,200.00.

2. Thank you letter from Sweetser for the Town's donation of \$2,700.00.

*The above two donations were approved at Town Meeting last year.*

3. Letter from Financial Investment Committee member, Doug Bates on the Town's investments for the last quarter of 2020. (Reference 1)

*This report is 3 pages long and will be kept on file at Town Hall. Selectmen Young read the first paragraph aloud. Mr. Bates explained in his report on how well the stock market has done in this time of uncertainty. The Town continues to do well on their investments. Selectman House added that the Town started with \$426,887 in 2015 and currently the balance is \$668,102.*

4. Letter from the Chair of the Winnegance River Herring Commission, David Hennessey, requesting a letter of support from the Board, as they apply for a Libra Foundation grant through the Kennebec Estuary Land Trust.

*This is the same grant that the Center Pond Alewives got 3-4 years ago. Administrator Jones spoke with Ruth Indrick from the Kennebec Estuary Land Trust, who is helping the committee with the Libra Foundation application, on what they were hoping to accomplish with the \$5,000. The erosion problem is bad enough that the fishway is in danger of collapsing. A plan has been developed to place bags under the fishway and then pump concrete into the bags. This would support the fishway by spreading out the weight. The estimated cost of the project is \$23,400. They got an estimate for the repairs from Black River Dive Company of \$8,850 per day. This will be a two day operation. Traffic control would be \$1,500 and flagging \$600 per day. The wooden deck also needs to be replaced. These repairs are badly needed. Administrator Jones will draft a letter of support for this grant. Selectman Young added that the Winnegance Alewives run is owned by three municipalities – West Bath, Bath and Phippsburg.*

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*Phippsburg takes care of the accounting and bank accounts. There are two representatives on the Phippsburg Alewives Board from each community.*

**Vote: Selectman House motioned that a letter be drafted supporting the Winnegance River Herring Commission grant application which was seconded by Selectman Mixon and passed by a vote of 3-0.**

**IV. Review and/or Sign:**

1. Payroll and Accounts Payable Warrants

**Vote: Selectman House motioned to approve and sign Payroll Warrant #74 and Accounts Payable Warrant #75, which were seconded by Selectman Mixon and passed by a vote of 3-0.**

**Vote: Selectman Mixon motioned to approve and sign Accounts Payable Warrant #76, which was seconded by Selectman Young and passed by a vote of 2-0.**

**Vote: Selectman House motioned to approve and sign Accounts Payable Warrant #77, which was seconded by Selectman Mixon and passed by a vote of 3-0.**

2. Selectmen's Meeting Minutes for January 20<sup>th</sup> and 27<sup>th</sup>, 2021.

**Vote: Selectman House motioned to sign the January 20<sup>th</sup> meeting minutes which was seconded by Selectman Young and passed by a vote of 2-0.**

**Vote: Selectman House motioned to sign the January 27<sup>th</sup> meeting minutes which was seconded by Selectman Mixon and passed by a vote of 3-0.**

3. Treasurer's Monthly Reports, July - December 2020.

**Vote: Selectman House motioned to sign the above Treasurer's Reports which were seconded by Selectman Mixon and passed by a vote of 3-0.**

**V. Executive Session**

1. Meet in Executive session per Title 30 M.R.S.A. §406 A to conduct the first step of performance reviews.

**Vote: At 5:45 p.m. Selectman House motioned to go into Executive Session as per Title 30 M.R.S.A. §406 A to conduct the first step of performance reviews which was seconded by Selectman Mixon and passed by a vote of 3-0. The Selectmen came out of Executive Session at 7:00 p.m.**

**Adjournment**

**Vote: At 7:01 p.m. Selectman House motioned to adjourn which was seconded by Selectman Young and passed by a vote of 3-0.**

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## Phippsburg Investment Committee Market Comment 12/31/2020

After 2019's exceptional investment performance, expecting another great year is a remarkable gift, but we did achieve it. However, there were a few bumps in the road. For instance if we had committed new money in the stock market last January or February, we would have incurred buyer's remorse. Yet if we invested in March, especially late March, we would look like heroes. Such is the life in the stock market.

Many have been puzzled by the common refrain: how can the stock market do so well in the face of so much uncertainty. The answer simply is that there was more demand for stocks than supply, and the bond market offered such measly yields that they were uncompetitive with stocks. Interest rates have continued to remain very low with the ten year US Treasury bond still earning less than 1% throughout the year. Bond prices generally are very high. Thus, bonds have limited appeal. Many decent lower risk stocks currently provide dividends yielding 1.5 to 4%, though dividends are not guaranteed income. Stocks do provide the opportunity for capital gains beyond the dividend yield, though the risks in stocks are usually higher.

As I have said often on earlier occasions, when crowds want to participate in the stock market, it is a good idea to wait until they have abandoned their interest. This can be measured in the sentiment surveys that are done by a few groups in the market. I have referred to the Institutional Investors Intelligence Survey which I follow weekly. Currently, in this week's survey (January 13, 2021), institutional investors are very optimistic about the near future, though the time is unspecified. The current survey reflects that 64% of those surveyed are bullish, even higher than the end of September. This is a very high response and portends that stock market risks are very high; a nasty reversal could occur at any time. Recall, that the survey is counterintuitive- the opposite of what most would expect. If knowledgeable investors are very optimistic, you can be confident that they have already invested their money, and want you to keep the game going by buying more and pushing prices ever higher. This excessive enthusiasm has often led to major declines for many different reasons. Chief among them is simply profit-taking. Other reasons include economic earnings disappointments, new, unknown threats to financial stability, currency devaluations, political events, geopolitical disruptions, sharply rising interest rates, and others.

Another vehicle to check on the health of the stock market is the so called VIX ratio. It measures perceived volatility in the speculative options market. Currently this ratio is very low, at 25% reflecting overconfidence that the good times will continue. By contrast, this ratio was at 65% in March after the stock market

had fallen dramatically in the previous several weeks. Again, this is a counterintuitive ratio which often complements the Institutional Investors survey mentioned above. Though both of these sentiment measures are conveying a warning about excessive optimism, there always are some issues in the market that can be acquired at reasonable prices. They may not be suitable or carry too much risk and uninformed investors should educate themselves before making commitments.

Where do we go from here? While the risks have risen in the markets, there remains huge oceans of liquidity, roughly \$5 trillion. This money is not interested in the very low yields of the bond market and is forced to look elsewhere. The stock market is one choice, real estate is another. With the continuing threat of the covid 19 virus at hand, some investors might favor real estate for conservative appeal. In some areas of the economy, values have fallen such as commercial and private real estate in the cities, perhaps due to people staying at home and not needing to come to an office. At the same time, other real estate such as seasonal homes and scenic uncrowded locations have enjoyed outsized gains in values. And there is always the perceived safety of gold and other commodities. These opportunities are much higher risks than many perceive. Speculative investing in tax favored partnerships are available to qualified investors. Bitcoin and other exotic new vehicles can be obtained for those trolling the stratosphere for unquantifiable risks.

Another comment mentioned last quarter should not be overlooked. Apple Computer alone represents 7% of the Standard & Poors (S & P) 500 stock index. Added to that are Microsoft, Amazon, Facebook and Alphabet (Google), and recently Tesla. This is an elite club representing approximately 25% of the S & P 500 index. If these issues begin to fall for any reason, confidence could deflate quickly in other areas of the market. You may be aware that Tesla gained over 700% this past year in the stock market. Many speculators are enjoying a field day. Others, in companies like Plug Power working on hydrogen fuel cell technologies, have advanced over 1400% in less than ten months. (But It was trading at \$2-\$4 per share twenty-five years ago, until last March.) Have you ever heard of Plug Power or Ballard Power or FuelCell Energy or Bloom Energy?

And I have not even mentioned the disruptive presidential election mess, lying politicians, covid 19, high unemployment and whatever else bothers you. The market is interested in supply and demand, status of the economy, and the future.

As noted in the September 2020 report, "One thing remains impressive and certain. The extensive investments in new technology, artificial intelligence, algorithms, biotechnology and other investment vehicles are overtaking old

investments in industry, coal and oil, real estate and other. The future looks very promising, but will we be able to manage the technological advancements or will they manage us.”

Comparisons with miscellaneous indices, excluding dividends. This means that the returns can be higher than the values cited below.

Standard & Poors 500 Stock Index:

Value: 1/1/2020 3293.25 value on 12/31/2020 3756.31 gain of 463.06 pts or 14.1%

Dow Jones Industrial Average:

Value: 1/1/2020: 28,534.91 Value on 12/31/2020 30,525.28 gain of 1990.37 points or 7.0%

NASDAQ Composite:

Value: 1/1/2020 8734.45: value on 12/31/2020: 12,890.03 gain of 4155.58 points or 47.6%

MSCI EAFE (non-US, developed economies only):

Value: 1/1/2020 2043.72: value on 12/31/2020: 2147.53 gain of 103.81 points or 5.1%

MSCI ACWI (includes 23 developed and 23 underdeveloped economies only

Value on 1/1/2020 567.62: value on 12/31/2020: 646.27: gain of 78.65 points or 13.9%

Remarks in this report of evaluative of our investment policy statement and should not be considered recommendations for any individual Investors.

17 January 2021