

Minutes
Bar Harbor Town Council Special Meeting
January 6, 2026

I. CALL TO ORDER – 6:30 P.M.—In attendance were Councilors Steven Boucher, Earl Brechlin, Maya Caines, David Kief, Valerie Peacock, and Randy Sprague; and Town Manager James L. Smith.

Vice Chair Caines called the meeting to order and requested a 15-minute recess as Chair Peacock was delayed due to weather. The meeting resumed at 6:44 p.m. with Chair Peacock presiding.

A. Excused Absence(s)—Ms. Caines, with second by Mr. Brechlin, moved to excuse Mr. Minutolo. Roll Call Vote:

Kief Y

Boucher Y

Brechlin Y

Peacock Y

Caines Y

Sprague Y

Motion passed 6-0.

II. READING OF THE MEETING GROUND RULES

III. APPROVAL OF MINUTES—None.

IV. ADOPTION OF AGENDA—Ms. Caines, with second by Mr. Brechlin, moved to approve the agenda as presented. Roll Call Vote:

Kief Y

Boucher Y

Brechlin Y

Peacock Y

Caines Y

Sprague Y

Motion passed 6-0.

V. REPORTS AND UPDATES

A. Water Rate Case Study

Public Works Director Bethany Leavitt, Finance Director Sarah Gilbert, and consultant Annaleis Hafford of Olver Associates presented the results of the rate case study. They said water rates are regulated by the Public Utilities Commission, which requires a certain procedure including notice to customers and a public hearing, followed by a final filing of the request.

Ms. Leavitt said the proposed rates fund the adopted budget, which requires revenues about \$1M in excess of what is projected to be raised under current rates. She said it is long overdue; the last rate adjustment was in 2016. Mr. Smith noted that if there had been annual adjustments over those 10 years, it would be about a 3.5% annual increase, which is less than inflation.

Ms. Leavitt gave an overview of the rate structure, which includes minimum quarterly amounts based on meter size. Seasonal customers have a higher rate, since that system requires more maintenance. There are rate tiers based on consumption—lower cost per cubic foot used for higher-volume users. This rate proposal would reduce the number of tiers, moving toward a consumption-based system and increasing rates more for higher users. Rates are proposed to increase 35% for all meter sizes.

The order on the Council’s agenda for this meeting is to schedule that public hearing. Ms. Hafford will give a presentation at the public hearing meeting and take notes on comments received, which are filed as part of the final rate case filing following the hearing. The goal is to have the new rates take effect April 1.

VI. RESOLVES AND ORDERS

- A. Order 2026-01-01, schedule public hearing for water user rate increase. Ms. Caines, with second by Mr. Brechlin, moved to waive the reading and that the order have passage. Roll Call Vote:

Kief _____ Y
Boucher _____ Y
Brechlin _____ Y
Peacock _____ Y
Caines _____ Y
Sprague _____ Y
Motion passed 6-0.

VII. COUNCIL COMMENTS

Mr. Brechlin spoke about the recent resignation of Millard Dority from the Planning Board. He thanked Mr. Dority for his time and his service. He said he’s sorry that the Town, boards and committees, and staff are sometimes put in a difficult position, but it’s not of the Council’s doing—they have to react to the times and the needs of the community. He thanked everyone who serves on boards and committees.

Ms. Peacock asked about plans for the national 250th anniversary celebration this year. Mr. Smith said staff is investigating some options. She also said her family has enjoyed using the new temporary skating rink and she thanked the volunteers and donors who made it happen.

- VIII. ADJOURNMENT**—Mr. Brechlin, with second by Mr. Sprague, moved to adjourn at 7:27 p.m. Roll Call Vote:

Kief _____ Y
Boucher _____ Y
Brechlin _____ Y
Peacock _____ Y
Caines _____ Y
Sprague _____ Y
Motion passed 6-0.