**MINUTES**

**FREEPORT TOWN COUNCIL MEETING #08-23**

**TOWN COUNCIL CHAMBERS, 30 MAIN STREET, FREEPORT**

**TUESDAY, APRIL 25, 2023**

**6:00 PM**

The Chair called the meeting to order at 6:04 pm

 PRESENT ABSENT EXCUSED

Councilor Chair Daniel Piltch, 25 Quarry Lane X

Council Vice Chair, John Egan, 38 Curtis Road X

Councilor Matthew Pillsbury, 36 Todd Brook Rd X

Councilor Chip Lawrence, 93 Hunter Road X

Councilor Darrel Fournier, 3 Fournier Drive X

Councilor Jake Daniele, 264 Pownal Road X

Councilor Edward Bradley, 242 Flying Point Road X

**FIRST ORDER OF BUSINESS**: Pledge of Allegiance

Everyone stood for the Pledge of Allegiance.

**FIRST ORDER OF BUSINESS**: Pledge of Allegiance

**SECOND ORDER OF BUSINESS**: To waive the reading of the minutes of Meeting #07-23 held on

April 4, 2023 and to accept the minutes as printed.

**MOVED AND SECONDED:** To waive the reading of the minutes of Meeting # 07-23 held on April 4, 2023 and to accept the minutes as written. **VOTE:** (Bradley & Daniele)(6-Ayes)(0-Nays)(1-Excused Lawrence)

**THIRD ORDER OF BUSINESS**: Announcements (15 minutes)

Open Burning Season

The Fire Department is seeing a seasonal increase in burning permits issued during the spring season. With the increase of permits comes the increase of calls for checking on open burnings. These calls are typically due to smoke traveling in the neighborhood or the pile appears as a large fire.

To burn, you must have a permit in hand from the Maine Forest Service which can be obtained from the following web site.  [www.maine.gov/burnpermit/](http://www.maine.gov/burnpermit/)

Burning permits will be issued after 9 am depending on the determined fire class day set by the forest service.

Suggestions for a successful open burn are.

Keep your burn pile small.

Have hand tools handy as well as a water source.

Be mindful of smoke direction, and potential increase of the wind speed and direction.

For more information on open burning visit the Maine Forest Service web site.

Be safe

**FOURTH ORDER OF BUSINESS**: Information Exchange (15 minutes)

Councilor Bradley: He attended an informal meeting between residents along the harbor and a member of the airboat community to talk about ways that they could get together to find a compromise and noise reduction that would take us out of the regulatory regime at the State level. The results were disappointing. The group representing the homeowners wanted to look at all their options. The talks fell apart without resolution.

Councilor Danielle: The Roux Institute partners with communities to put on events they call Start Summits that are intended to get participants thinking about entrepreneurship and to tackle a theme that the host municipality solves. There is a local group trying to organize one of these events.

Councilor Egan: He and town staff met with Amtrak who is doing outreach to service communities in Maine to introduce themselves and provide a referral source and information. It was curious to see that Amtrak, that runs the railroad, doesn’t own anything here in Freeport. When we have conversations about what we can do with the train, we need to clarify who we’re talking about. The railroad operator is not the same one as the owner of the tracks and it’s not the same as the administrator of the site. We need to keep that in mind when we have conversations about a transit-oriented development plan of which the train would be a part, we need to make sure we have the right constituents there.

The Housing Committee had been busy combing through the Land Use Ordinance and other Planning Board documents for suggesting recommendations for promoting downtown activity and simplifying things. The Planning Board has a light agenda in May. A couple of Housing Committee members will be present to make recommendations which the Council will eventually hear.

Councilor Piltch: We have a meeting next Tuesday. We are off the following Tuesday and back for May 16th. We have a workshop meeting on May 23 with FEDC.

**FIFTH ORDER OF BUSINESS:** Town Manager’s Report (15 minutes)

-Public Works will be installing the north Main Street parklet near Derosier’s. They choose to follow the same outdoor seating rules that we have in place for private property.

-Pop up skate park on Depot Street-The Chamber applied for a temporary activity permit which had to go to the Project Review Board for concurrence. Public Works will drop off the equipment this week and there are some volunteers that will be working to set that up.

-The Manager got to try out the new Purchasing policy this week that was amended at the last meeting. Staff can follow the process and go out and try to get bids. If they get three quotes back under $100,000 the Town Manager Purchasing Agent can sign off on them. Winslow Park was the first. They tried to get bids for a truck. They got no bids back so Neil Lyman had to go truck shopping. He went to a bunch of dealers. He found one at Rowe Auto that fit the specifications and he was able to get a rebate on that was within budget. It was budgeted for this year. It was $59,000 and they needed it for this year to keep operations running.

-Public Works doing striping and early spring repairs. They will be adding striping back to Grove Street.

-Grants update-There are a lot of interest and different opportunities out there. The Town Engineer has been working on putting out a RFP for EV Chargers on some town properties. He’s putting it out as preparation on work for an RFP that Efficiency Maine put out for communities to apply by June 30 for grants for EV Chargers. As part of that, towns need have to RFPs or quotes from contractors. That information will be posted on our website.

-Recognized our Public Safety employees and neighboring communities that we are mutual aide partners with. There was a difficult situation on I-295 last week and our departments were involved in responding to that. We have such dedicated and professional staff and when the time comes, they can work together with our neighboring community.

**SIXTH ORDER OF BUSINESS**: Public Comment Period – (30 Minutes)

 (Non-Agenda Items Only)

Robert Stevens: Update on Farmer’s Market that Climate Action took on at the town’s request. There are 23 vendors that will be at Memorial Park. That will produce part of the money that’s needed for operations. Operations run $5,000 and the town will continue it’s support of this effort they have taken on. They hope the town will duplicate last year’s support again this year. The neighboring hotel is working with the Farmer’s Market for restrooms for vendors and parking.

There is no line between the Farmer’s Market and Climate Action. Freeport Farmer’s Market is the name under which Freeport Climate Action Now does business. It’s a division or group headed by Kathy Hyde and Margaret Morfit. Freeport Market is implementing part of the mission of Freeport CAN. It’s trying to make good locally produced food available and bring people together. It all ties into what can be done at a local level to diminish the emissions of greenhouse gases.

**SEVENTH ORDER OF BUSINESS**: To take action on the following items of business as read by the Council Chairperson:

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ITEM # 66-23 To consider action relative to adopting the April 25, 2023 Consent Agenda.

The Chair reviewed the items on the Consent Agenda.

 **BE IT ORDERED**: That the April 25, 2023 Consent Agenda be adopted.

**MOVED AND SECONDED** (Pillsbury & Fournier) **VOTE:** (6-Ayes)(0-Nays)(1-Excused Lawrence)

 (Council Chair Piltch) (5 minutes)

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ITEM # 67-23 To consider action relative to proposed amendments to the Freeport Zoning Ordinance. PUBLIC HEARING

The town currently has a lot of standalone parking lots in the Village Commercial 1 District. Standalone parking lots are not permitted in VC-1. This amendment is to allow them because we have these existing lots that are non-conforming. If somebody wants to split their lot and redevelop it, they would be creating a non-conformity which could be a violation. Parking lots are different than a parking structure (which is a garage). Exception: standalone parking lots are permitted in the Village Commercial 1 if they are parking lots that exist to serve buildings classified as A and B per the Design Review Ordinance on the VC-2 District. She gave an example of how a non-conformity could be created in a redevelopment situation. We are hoping this will make it easier to redevelop standalone lots into something that not surface parking lots.

They also identified a few other sections that need to be clarified or has erroneous cross referencing.

Do we have applications or notice of applications where this fix might actually help? Is someone talking about a redevelopment of a parking lot where this particular action could facilitate the project? No, this is something that was identified with another property that was resolved through other channels. Ms. Pelletier explained the real world situation that brought this to light.

**MOTION**: To open the Public Hearing (Fournier & Daniele) **VOTE:** (6-Ayes)(0-Nays)(1-Excused Lawrence)

**MOTION:** To close the Public Hearing (Fournier & Daniele) **VOTE**: (6-Ayes)

There was an amendment to correct a cross reference in Section 514.

**BE IT ORDAINED**: That proposed amendments to Section 413. Village Commercial 1 (VC-1), Section 414. Village Commercial 2 (VC-2), and Section 514. ***Including the updated cross references for*** Off Street Parking and Loading of the Freeport Zoning Ordinance be approved. **MOVED AND SECONDED** (Fournier & Daniele) **VOTE:** (6-Ayes)(0-Nays)(1-Excused)

*Note: This will be a public hearing to discuss potential amendments to add “parking lots” as a permitted use, subject to site plan review, in the Village Commercial 1 (VC-1) Zoning District (Section 413). Other related proposed amendments are minor changes to clarify language regarding setbacks in Section 413. Village Commercial District 1 (VC-1), correcting cross referencing error in Section 414. Village Commercial 2 (VC-2), and amending Section 514. Off-Street Parking and Loading to clarify conflicts that were identified in this process.*

 (Assistant Town Planner, Cecilia Smith) (15 minutes)

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ITEM # 68-23 To consider action relative to amendments to Chapter 2, Administrative Code, Section 608 Community Library Board of Directors, to remove management rights of the Library Board of Trustees. PUBLIC HEARING.

Library Director Courtney Sparks gave a brief history: They were B.H. Bartol Library Association which was private. Freeport Community Library was established in 1997, it became a town department but the information in the Administrative and Personnel Code was not updated to reflect that so there is older language that reflects a Board of Directors rather than a Board of Trustees which means something different.

In 2009, that Board reviewed their purpose and confirmed that they are advisory. The Board supports having the Council remove their management rights and they would rather have the Library Director and the Town Manager run the Library.

They are asking for changes to the Administrative Code. Changes to the Personnel Code will come later. Currently the language does not give the Library Director and the Manager management rights to be able to fully manage the Library. For instance, if there was a challenge with a personnel decision, the Town Manager wouldn’t be able to take care of that. It would fall to the Library Trustees. The library trustees voted to support the changes to the Personnel Code and Administrative Code.

**MOTION**: To open the Public Hearing (Daniele & Bradley)(6-Ayes)(0-Nays)(1-Excused Lawrence)

 **MOTION:** To close the Public Hearing (Daniele & Bradley)(6-Ayes)(0-Nays)(1-Excused Lawrence)

**BE IT ORDAINED**: That amendments to Chapter 2, Administrative Code, Section 608 Community Library Board of Directors, to remove management rights of the Library Board of Trustees be approved. **MOVED AND SECONDED** (Daniele & Bradley) **VOTE:** (6-Ayes)(0-Nays)(1-Excused )

 (Library Director, Courtney Sparks) (10 minutes)

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ITEM # 69-23 To consider action relative to setting a public hearing to discuss amendments to the Chapter 11, Building Code Ordinance of the Town of Freeport to adopt Stretch Energy Codes effective July 1, 2023.

At the last meeting, the Town Council adopted amendments to the Administrative code that referenced Codes that the Code Officer enforces. Before you tonight is the Building Code that lists out the codes we use. It’s two parts and it’s much cleaner if they match. Of the two, this would be the one that you would want the language in. To clarify, Nick did talk to the State about what Codes they are going to adopt. There was talk at the last meeting that this would be the code the State adopts and then we’ll be on a level playing field. That is not entirely the case. The State is considering the 2021 Stretch Code, which you are putting in this ordinance and you already did in the other ordinance last month. The State may adopt an amended version in which case Freeport’s 2021 as it exists would be a little stricter but the State’s also looking at some 2024 Codes. The timing is up in the air and the exact code the State is going to make municipalities adopts is up in the air based on new information from the State we got today.

Councilor Fournier: When he voted he understood that we would be mirroring the State so now he has some concerns if we are going to have additional requirements above and beyond the State. He’d like to know what those are. We should be more user friendly and now we are creating more of a burden that if you come to conduct business of building something there is going to be a different set of Codes that aren’t applicable in other parts of the State. He supports the idea of the Stretch Code to make things more energy efficient but not additional burdens which complicate our jobs. We already have a black eye on Code Enforcement. The State’s looking at different options and until they adopt something we don’t know what that will be. At the last meeting we said we will enforce the Stretch Code so we already have it half on the books. If the State does change their other codes, you’re going to have to revisit both of these documents because it’s more than just the Stretch Code that you will have to amend. If you are going to open it back up then, you can mirror the State if it’s more stringent or less stringent if that’s what you want to do. That will give us time to see how this is working out and if people are having challenges meeting it or not.

Councilor Bradley: We adopted the Stretch Code because we were getting recommendations from staff that we wanted to move into the world that the State lives in and now the State’s moving into another world. Does that detract from the advice we got before? You have this to set as a hearing tonight and you did part of the code at the last meeting, here’s a second code. If you want more details from the Code Officer, the Manager can bring them back at the next meeting. You could also put the hearing off. The Code adopted last week does not take effect until July 1st so we have time.

Councilor Egan: he follows the energy standards that the Maine building industry is adopting and moving into on its’ own. He reminds that the Code we are adopting is the 2021 Code that 2 years ago was adopted by the Maine Uniform Building Code Council. There was an endorsement two years ago for this level of efficiency that is outlined in the Code language. The State’s enforcement of that is a political process, not a technical process. That is why it is taking time for the State to require municipalities to adopt. The Code itself is 2 years behind. We’re not getting out ahead of anything. The Code they are operating under before we change anything here is the 2015 Code. He thinks it is time for us to be adopting to more current standards that the Uniform Building Code Council has already adopted.

Councilor Pillsbury: we’ve started a process and the question is should we finish it and then pivot when the State finally does what they’re going to do and then we have to address it and deal with it or do we stop and just wait. It could be weeks or months.

We are doing this knowing we are ahead of the State. There were several other municipalities that were also adopting this Code locally. They haven’t reported any significant issues. The Chair thought we were aware that we were adopting it before the State was adopting their enforcement of it, but that the Code was a couple of years old. We are always going to be a little out of sync with the State. Right now we are in limbo because we have half on and half off the books unless you want to remove what you did last time.

Councilor Fournier would like more information. What he voted for and what is coming forward is a little different. It could change by next meeting. It doesn’t want to make it more difficult for people trying to do business.

We could vote on the 16th to not adopt this.

Robert Stevens: The State is dragging its’ feet which it does every time it has to deal with a lot of people who don’t show up at meetings and don’t make decisions when they should. You’ve heard testimony from experts in the building trade as to the very limited increase in cost that would result from moving from the 2015 Code to the 2021. It’s less than 1% and you’ve heard that it increases the efficiency and reduces the greenhouse gases emissions by 10%. It will increase property values. Please proceed with the public hearing.

**BE IT ORDERED**: That a public hearing be set for May 16, 2023 at the Town Council meeting starting at 6 pm in Council Chambers, 30 Main Street to discuss amendments to the Chapter 11, Building Code Ordinance of the Town of Freeport, to adopt Stretch Energy Codes effective July 1, 2023. **MOVED AND SECONDED** (Egan & Daniele) **VOTE:** (6-Ayes)(0-Nays)(1-Excused )

(Town Manager Caroline Pelletier) (10 minutes)

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ITEM # 70-23 To consider action relative to setting a public hearing to discuss proposed amendments to the Chapter 39, Loitering, Curfew and Noise Ordinance of the Town of Freeport to add a new section pertaining to nuisance lighting.

Town Manager: Mr. Joseph had been working with residents that have an issue in their neighborhood with some lighting. New language was drafted that would add a new section to the existing Loitering, Curfew and Noise Ordinance. There’d be a new proposed section for Nuisance Lighting that would include adding standards for light, light trespass where it goes over the property line and also refer to the type of full cutoff fixtures being required so that the light is not shining off of the property. There would be a new reference under enforcement enforcing any violations the same way we do noise violations. Then also renaming the Ordinance.

Councilor Pillsbury: Can you put in layman’s terms what light trespass is and what that would look like. It’s not clear what it would look like on someone’s yard. The purpose of this standard is to make it so that if you or your neighbor has a bright light shining off their property, whether the way they are shining it or type of fixture, you could call the PD because you have a nuisance situation. It’s light leaving the property intentionally disrupting others. With a full cut off fixture you can’t normally see the source of the light. A lot of LED fixtures meet that with a nice decorative fixture, but the bulb is up inside so it minimizes the sky glow. They measure light in foot candles.

This ordinance is enforced by law enforcement and not Code Enforcement. Codes is a Monday through Thursday 7:30 am to 6 pm position. If it’s happening on the weekend or outside business hours and causing a nuisance, the Code Officer wouldn’t be there to respond in a timely fashion.

Art Dysinger: He shared photos with Councilor Pillsbury to clarify. Councilor Pillsbury is in support of this but wanted to clarify what it means at the boundary of someone’s property. How is this going to be enforced? We had discussions with our attorney trying to get to language that is enforceable that can be interpreted by whoever is responding so that there is a clearer definition of what a nuisance is and what constitutes trespass. It has everything to do with the intensity and the foot candle power that can be measured at the boundary line. It makes sense to get devices for the PD to use.

**BE IT ORDERED**: That a public hearing be set for May 16, 2023 at the Town Council meeting starting at 6 pm in Council Chambers, 30 Main Street to discuss proposed amendments to the Chapter 39, Loitering, Curfew and Noise Ordinance of the Town of Freeport. **MOVED AND SECONDED** (Pillsbury & Daniele) **VOTE:** (6-Ayes)(0-Nays)(1-Excused Lawrence)

 (Town Manager Caroline Pelletier) (10 minutes)

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ITEM # 71-23 To consider action relative to accepting the recommendations of the Sewer Committee.

Councilor Bradley:

He laid out the recommendations from the Sewer Committee.

1. To create a downtown contingency fund that could address the burdens that connection fees provide for qualified projects in the downtown that support the Downtown Visioning. The earlier recommendation was a $100,000 fund. It’s been pointed out that there is an existing $40,000 fund for that purpose and all we need to do is add $60,000 to it. They don’t want to limit it simply to connection fees as there may be other projects in the downtown that qualify for this type of funding. Therefore, the recommendation is that we create a $100,000 fund for qualified projects that reduce burdens to downtown development resulting from the Downtown Revisioning process.

2. To do joint CIP planning, the Sewer District and the Town. It authorizes the Town to coordinate and collaborate with the Sewer District for Capital Improvement Planning so that to eliminate projects that are inefficient or conflicting and to collaborate in a way that cooperation leads to benefits for both.

3. Identify and apply for grants that benefit the Sewer District if deemed appropriate by the Town Council. When initially drafted it looked like an appropriation of $400,000 worth of budget funding. What they recommended was a joint process to identify grants that the town could apply for that the Sewer District might not or did not qualify for that benefited the Sewer District and the Town. Then, leave it to the Council to determine whether to apply. If it got the grant, to determine in some future budget process whether to apply the match if any was needed. In this grant application process there is an expense. There’s already $5,000 in this year’s budget for that, but we’re not going to use it in this year’s budget. They are asking that it be continued into the next fiscal year. He thanked the members of the Sewer Task Force. They worked diligently to come up with these recommendations that principally answers the Council’s request to the Committee to address connection fees without dragging the town into governance discussions that might create issues that are impossible to resolve without more experience together. Secondly, it allows the District and Town to gain experience dealing with substantive issues that will lead to a better Sewer District and community.

Ken Mann: Inquired as to whether this would apply to Route One South as far as assistance with hook up fees. The funding we are recommending creating applies to any project in the Downtown Visioning arena that has an impediment that could be addressed by funding. It could be anywhere in the district. Projects may be outside because they effect the downtown. Mallet Drive is an example. Also, the Complete Streets circle around the community to connect transportation and locomotion. A project could qualify for Downtown Vision funding and then that $100,000 fund is available (not an appropriation). It’s available for the Council to help fund a project it deems qualifies in the future. It needs to be clarified. One piece that still needs to be developed is what meets a qualified project and where. That definition is still in development, he understands it’s happening at FEDC.

What we are looking at here is accepting what the Sewer Committee has done and their recommendations. Next up is our Capital Plan and there may be an amendment to that for additional money ($100,000 fund hypothetically). The parameters and mechanism of that fund have not been defined. It could be a fund the Council administers, it could be part of a TIF fund, it could be something else.

Councilor Fournier’s understanding was we would look at the whole system. They discussed Lower Mast Landing Rd where there is a pressurized pipe that goes across. They talked about Route One south. They were trying to address problems system wide.

Sally Leland: The recommendation would be to cover where there is existing infrastructure now. Any intersection of any new project could tie into the existing infrastructure. As far as Route One South, they have existing infrastructure there (mains and pump stations). New development could tie into the system anywhere on Route One South all the way to the Freeport Café.

Andy Arsenault: Asked if the intent is to reduce fees to encourage development of any kind? Is there specific type of development? How is the financing going to work if we eliminate these fees? This does not do away with any fees, it provides town money. It could pay part of a hook up fee for a project it felt was desirable. It doesn’t seem fair that he has to pay his hook up fee but his tax dollars could help new developers.

Rod Regier: Sewer Committee member-glad the conversation is happening here at the diocese. Originally, there was an effort to push the Sewer District to deal with the subsidizing of connection fees on its own. The Sewer District is an independent body of the Council having its own structure and incurring debt. This is the place to be having these discussions if we are looking at altering fees for a public advantage.

Leland Arris: Sewer District: There has not been good communication between the District and the Town. The biggest benefit at this stage is that we have gotten together and we are talking. He wanted to clarify that who qualifies and who pays is not a Sewer District issue, that’s a Council issue. The District’s interest is in making sure there are present fees available to continue improving the Sewer District.

Chair Piltch: recapped the three recommendations from the Sewer Committee and added these comments. In regard to the $100,000-The Chair thinks it would be worthwhile to define as a town what kind of projects we want to incentivize i.e. single-family housing, multi-family or commercial. What do we want to see and how can we help to make it happen. We shouldn’t limit the fund to sewer connection fees. You could also use it for building permit fees or engineering work. It should be broader in its’ use.

Councilor Bradley: the committee’s recommendation was to provide funding for connection fees when they are an issue. If your intention is to not include in this year’s Capital Budget an increase in the $40,000 you’ve got with no definition for, to include more that could also be used for this purpose then that’s a rejection of the Committee’s recommendation.

Councilor Fournier: if we remove “downtown district” and make it district wide (where we have infrastructure), that would be a fair approach. Then we can focus on what the projects are.

If we vote to approve, but we don’t fund it, we’ve said we don’t agree with this. He agrees with the committee recommendations but there is still a lot of work to be done around funding for qualified projects that are sewer related or just development related. How many connection fees would we get for $100,000. What scope of projects would that support? We haven’t had those conversations and he can’t in good faith say let’s set aside a pot of money that we don’t know what we’ll do with it and we don’t have a mechanism for delivering results on. What are our options for not direct funding it.

The items in the recommendations are not in the Capital Program. They would need to amend it to add the $100,000 so it is feasible to accept the recommendations but not fund it. The $40,000 was for downtown projects not specifically connection fees.

Councilor Daniele: We are just accepting the recommendation, we are not definitely doing them.

Councilor Bradley: With the Charter groups that came forward, we said okay, we’re going to put the project they identified and the money into the queue. $2,725,000 has ended up in the Capital budget based on much less definition than the Sewer Committee has given you. You are handling this differently. We are not asking that it be appropriated but in the queue. They ask that when we adopt the budget and then finally to appropriation, that you have a discussion about the Sewer Committee recommendation of $100,000, along with those that have already reached that point in your process. They got left out of that because there was confusion on what was being said that night. They spend a lot of time trying to bring clarity to that and now they are having the same conversation again. He has talked with each Councilor and no one has expressed the reservations that are being expressed here. All they are asking is that the $100,000 go into the queue with all the other $2,750,000 worth of projects and ask that they take the same rightful place about whether they are a priority and if the funding is appropriate. If you don’t do that now, that conversation doesn’t occur while the other 14 projects go through the queue. Discussion is ongoing at the FEDC level about what qualifies for the kind of projects that the Chair is talking about and the kind that the Sewer Committee is talking about. They are focused on sewer connections, they don’t care if it goes to other projects too, as long as it covers appropriate sewer connection projects that the Council decides are worth funding because they advance the downtown visioning. The Committee has given the Council a way to do that without all the governance issues between the District and the Town and now they are getting push back because they are not clear enough. It won’t be clear enough until it’s been in the queue, identified as a priority and then appropriated, all of which are ahead of us. If you stop it now, you stop this recommendation from reaching that status and that would be a shame. The committee has worked hard to get to this point.

**BE IT ORDERED**: That the recommendations of the Sewer Committee be accepted. Those recommendations are:

To approve funding for qualified projects in the Downtown District in an amount not to exceed $100,000. That would require an increase in an existing fund of $40,000 by $60,000.

To approve the town’s applications for funds to benefit the Sewer District which include matches up to $400,000. *(To clarify, this is a limit on the kind of grants you go looking for. It is not going into the Capital Budget)*

To approve Town participation in joint Sewer District Town Capital Improvement Planning on an annual basis.

To extend the $5,000 support for grant applications for the Town to apply for funding from various sources that could benefit the Sewer District and the Town together.

 **MOVED AND SECONDED** (Bradley & Egan) **VOTE:** (6-Ayes)(0-Nays)(1-Excused)

Dissolve Sewer Committee: Councilor Bradley called for the dissolution of the Sewer Committee which was approved.

*Note:  Some of the recommendations include possible funding and are not currently included in the Capital Program and/or Capital Budget.*

 (Councilor Bradley)(15 minutes)

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ITEM # 72-23 To consider action relative to adopting the 5-year Capital Program.

This is the Plan/Program, not the Capital Budget for FY24.

Ms. Maloy handed out an updated Capital Budget document to the Council and explained that there were two changes from the last document. Both changes are under Article 3: Rescue. One is the removal of the $30,000 for the AV equipment the other is the addition of $50,000 for the Rescue Replacement. We received updated quotes that were coming in $50,000 more than the original ask of $400,000. This gives a net change of $20,000 more.

To summarize everything, she directed them to the last page of what she just handed out which shows everything that has been talked about and reflected from the beginning of the process.

As it stands, we have a Capital Plan of $3,352,000 with a projected $3,028,000 coming from Capital Reserves at this point and $324,000 coming from the TIF. Those funding sources will be tweaked when we get to the point of appropriation. She points that out because a later agenda item is what to do with the Fund Balance that had come to you in February.

Councilor Fournier had questions: 1. Sidewalks for Main Street and east side of Depot Street. We had a discussion of putting down hot top instead of bricks. This is scheduled for bricks. His question is if this gets approved are we locked into bricks? Can Complete Streets take a look at this and come up with suggestions. Paying three times as much for bricks sidewalks outside the main business district is unwise. How do we address this? This appropriation does not lock you into brickwork. It would just be sidewalk repair. They are starting with the Bow Street/Park Street area whether that be paving or bricks. This doesn’t lock you into the material, just the project.

Secondly, the $100,000 for EV Charges under Article IV-Comprehensive Town Improvements. With us looking to go for grants and having a large request for Capital Budgets, he’d like to see this line cut. We have a number of EV chargers in town. We have a lot more needs than to expend a $100,000 on that.

Ms. Maloy explained that what they have before them is the adoption of the Plan. The appropriation amounts can and will be changed at the point of appropriation in June. What you are adopting tonight is the big picture of the projects you want to pursue and prioritize as Council for the next 5 years. Year one is where we focus on the funding source. If you look at page 2 summary, when we get to the point of appropriation in June, that’s when you’re going to see the funding source break out. She gave an example from last year. Ultimately, we need to put what we anticipate the costs of these plans to be into this because if for some reason the grants fall through or don’t come to fruition and you still want to do the project, you need to know what that cost is going to be. This is a comprehensive plan of where you want to go and what you want to do as a town for the next 5 years with capital projects and assets. If the funding changes, for instance with the EV chargers. We have the $100,000 in the plan because if there are no grant funds you may be on the hook for the full amount. If we get to the point of funding and it’s going to be $100,000, you don’t have to do the project. The funds revert back to the Reserve.

Councilor Fournier: Last year, both the Capital and Operating budget were passed without the options of coming in to do the finite additions or deletions. As long as he gets the promise that we’ll have these discussions, he’ll go with it tonight. Tonight is the opportunity to make changes to the Capital Plan and we’ll have a similar chance to make adjustments to the Capital Budget and Operating Budget.

Councilor Bradley: We just went through the Sewer discussion. If the additional $60,000 is not in this budget, how does he raise that so the Council can decide.

**BE IT RESOLVED**: That the proposed 5-year Capital Program as amended be approved.) **MOVED AND SECONDED** (Daniele & Fournier)

**MOTION TO AMEND:** Article VI Comprehensive Town Improvements. FY2024 Item 9 to add the Sewer District recommendation of $60,000 for qualified projects that promote the Downtown Visioning process including but not limited to Sewer Connection fees. (Bradley & Egan) **VOTE:** (5-Ayes)(1-Nays Piltch)(1-Excused Lawrence )

Do we have $60,000? Ms. Maloy has reservations about the amount of the Capital Plan this year in relation to the Reserve balances solely based on the fact that our funding source of the Reserves are not as robust as they’ve historically been. The later item in regard to funding the Reserves will go a long way to helping narrow that gap. In the short term, we have enough to add the $60,000 in year one. You’re delaying the concern of funding a 5-year plan. So, the answer is yes and no. Setting it aside in the plan does not equal spending it. If the fund does not magically produce anything that we think is good, it would revert back to Reserves. Typically, the projects revert back to Reserves after three years. When projects are done, if funds haven’t been spent they revert back to Reserves.

Councilor Pillsbury asked if the committee had any thoughts about how much money was going to be needed over what period of time. That could drive this question as well. Is it all needed in year one or could be spread out over year 2, 3 and 4? The committee had no way to project that. That’s the result of cumulative decisions about the downtown and how it’s going to develop and who was going to see. There are smaller projects we’d like to see happen for which a connection fee is a big deal. Those are the kind that come forward for this kind of support.

Councilor Daniele: In Item # 73-23 we just changed the municipal fee schedule. Existing projects that were in the queue will be reduced down to $10,000. How much money did we just give out with that decision versus making them stay at the current amount? It would vary on a case-by-case basis. You cannot count on fees for income, they have to correspond to the work or administration. They can’t be a revenue source. They are to offset the administrative component of those projects. Within the last years, we’ve had the one project that would have had a fee of $131,000. There’s another on that was $55,000. They’ve been all over the place, but with no projects going on we would collect zero. The project with the $131,000 had already paid $40,000 and Caroline assumes we just wouldn’t collect any more. That was the intention of the fee you just did, not to retro back but they have outstanding. Councilor Daniele pointed out that we essentially just gave them a $70,000 break. Ms. Pelletier stated that if the Council hadn’t taken action universally to fix the problem, they would have come to the Council for a fee waiver.

Councilor Fournier: Is there other areas to make this request? Do we have TIFs or something like that? We’ve used TIF funds for additional projects and would that be eligible? That question comes up next when we go to appropriation. The $60,000 could be from a TIF, it could be a grant or it could be money we have to pay, we don’t know. If we don’t get the applications, it sits there, it doesn’t get spent and doesn’t affect the taxpayer.

Capital items will not return to the Council that have a value that falls within the discretion of the Department Heads and the Purchasing Agent.

Ms. Maloy is leaning towards asking the Council to establish a new Reserve so changing our Reserve policy and establishing a new Reserve that we create a funding source for (whether a one-time tax impact) to be used for Downtown Revisioning Projects because that scope is growing and growing. The intent of the Plan before you has been for existing Capital assets of the Town, to maintain them, replace them and not have major tax impacts. That has worked for over 30 years in Freeport, not to say it can’t continue to work. Perceptions and priorities are changing to expand where we want growth. That’s not necessary in the economic climate we are in, conducive with the existing Reserves we have in place. It’s something to consider, adding a new Reserve for growth mindset.

If we decide we have a new program, say we want to create a new Development Fund for whatever and we want to fund it half out of Reserve, half out of a TIF and half out of a grant, but it hasn’t been in the budget. If we craft it and figure a way to fund it, do we have the ability to add a project mid-year? Peter would have said “yes”. Ms. Maloy would have to look into the process. There would have to be a supplemental appropriation to follow the funding source. It wouldn’t be as difficult if it’s funded through the Reserve, there is no tax implications with that. She would need more clarity but if there is a tax impact it could involve sending supplemental tax bills.

**MOVED AND SECONDED:** to remove the $100,000 for EV Chargers: (Fournier & Daniele)

L.L.Bean has a number of EV Chargers. We are spending a ton of money and we have to set our priorities. This is not the right time and can be used for better applications in the budget.

Councilor Egan: it’s likely that the RFP our Engineer is putting together will fund those installations with grant funds. There may be a modest copay for infrastructure. We are going to hear next week about a zero-cost opportunity for us to get a fast charger, a network of them at zero dollars to the town and zero operating expense. We are just supplying the parking space. There are opportunities there. He doesn’t see any specific request coming forward where we’ve exhausted all the grant opportunities and we still want to go spend a $100,000 on EV Chargers. We’ll never be asked to spend that due to the grant opportunities.

Councilor Daniele: That’s one thing he’d like to see changed, some designation that we are putting this in because we want to get grants and we need to have some mechanism to say we’re going to do it. He agrees with Councilor Egan that he wants this paid with grants and he doesn’t want to signal to staff that he doesn’t want this in here anymore because he wants them to keep pursuing that.

Is there a way in future years where we can say these are things in the Capital Budget that are priority projects that we expect to get outside money for. If there is no expectation to expend Capital funds she would not be putting it into the Capital Plan. That doesn’t mean it falls off the radar. If Council directive is still to pursue EV Chargers that will happen, it just won’t be expected to be funded with Reserve dollars if no grants come through.

Councilor Fournier supports removing the $100,000 and if we get grant funding then that is great.

Ken Mann: asked about appropriations that need to return for Council approval. Any appropriation of $100,000 or more it would have to be brought back. They don’t appropriate the money now, they do that in June. Therefore, approved appropriations under that amount move forward July 1st. It was clarified that there are two separate projects at play. The first project would be that town is pursuing a grant opportunity through Efficiency Maine Trust which will funnel some grant funding to promote municipal EV Chargers. The grant would pay a substantial, if not all, of the costs of those level 2 chargers. The grant would pay for most of that. There may be a modest copay to get the infrastructure which is why they are trying to focus on the right place so that cost is minimized. That’s the EV Charger program. The placeholder here (OB #2 that is tabled tonight) is so that there is funding available if the town wants to do that and more. He doesn’t expect to spend anywhere near $100,000 that the grant is going to be applying for. The second item/project is an installation by a third-party vendor at their costs with their meter and their operating expense. All the town is doing is allowing it to happen on a public parking spot. Mr. Mann thinks we should take this out of the Capital Program. Why do we want to pay for somebody’s else’s fuel? There are two different kinds of chargers being proposed. The level two charger that the Engineer is working on would have a key swipe. There would be no subsidizing from the town’s electricity bill. The user would pay.

Andrew Arsenault: There are 8 Tesla spots at L.L.Bean that you pay for, the rest are free. He spoke with users there. As a taxpayer, he wants to know why the town is going into the business of supplying a fuel depot for transportation for private individuals that purchase and buy an electric car. He wants to know why the town thinks it has to supply them a place to charge their vehicle? It is not the government’s role to charge or supply places for people to charge their vehicles. He talked about things that we do that benefits everyone in town. Why don’t you have a gas station for him? What happens if an electric vehicle catches fire while it’s in a public space. It’s hard to put out fires in EV vehicles.

Councilor Bradley gets the same questions in the context of the Sewer because not all taxpayers use the sewer. With respect to EV charges, when we went through the Downtown Visioning process, EV chargers were identified as a magnet for bringing people to this community to stay longer which is what we were trying to do. It was all part of the Downtown Visioning process. Maybe some of these stores that are going to build in the downtown district should provide an EV Charging station just like L.L.Bean. This has reached the Charter level through a couple of very significant committees in this town including Freeport CAN and the Sustainability Committee that are promoting this project. There are a lot of voices that have brought this to a priority project. Mr. Arsenault asked if he would get a tax rebate because he has a gas fired car and the town is fueling electric cars? Mr. Bradley explained that he gives tax dollars to fund gas cars by supporting through tax subsidies the fossil fuel industry. Both systems get subsidized in some sense. It’s more balanced than he made it sound. If the town is going to get a grant, put it on private property.

Councilor Egan asked if Councilor Fournier would consider cutting it in half in reference to the motion on the floor. Councilor Fournier said to call for the vote and they could discuss later.

**MOVED AND SECONDED:** to remove the $100,000 for EV Chargers: (Fournier & Daniele) **VOTE:** (1-Ayes Fournier)(5-Nays)(1-Excused Lawrence )

Mr. Arsenault asked if there was a way to line item the budget come June or up/down the whole thing. There will be the budget and we’ll have the chance to make amendments, like tonight. This is corrected from how we did it last year.

Councilor Bradley added up projects for the Downtown Visioning process that are currently included in the Capital Program for the next five years and they total $2, 725,000. Before that number becomes real, a number of other steps occur in the process. One, we look for other sources of revenue other than the tax base and we adjust those capital items by that. Then we look at the number we have to appropriate and look at the impact that will have on the tax rate and we decide then whether we want to spend that money or take it out. Specific decisions that lead to an appropriation and the application of funds that affect the tax rate are still ahead of us. We’ll make those decisions when we have more information about other sources, whether it’s TIF or grant or whether it’s what the real costs are, etc. Councilor Bradley appreciates the process now that he has a better understanding.

**BE IT RESOLVED**: That the proposed 5-year Capital Program as amended be approved.) **MOVED AND SECONDED** (Daniele & Fournier)**VOTE:** (5-Ayes Fournier)(1-Nay)(1-Excused Lawrence )

(Finance Director, Jessica Maloy)(20 minutes)

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Motion to take item #73-23 out of order **MOVED AND SECONDED** (Piltch & Daniele) **VOTE:** (6-Ayes)(0-Nays)(1-Excused)

ITEM # 73-23 To consider action relative to amending the Municipal Fee Schedule.

In the early 2000’s the Council adopted the 2% administrative fee for a performance guarantee when commercial projects are approved before the Project Review Board which is the practice in a lot of places. The performance guarantee in Freeport is typically cash or a letter of credit. It’s money that a developer puts upfront to ensure they are going to build what they got approval for. It just relates to site work, so if a project goes south and the developer ripped up the site, then the town can draw on that and go back and repair the site and make it safe. We don’t typically get into the buildings, it just covers the cost of site improvements. The cost of projects in early 2000s are different than project costs in 2023, so as time goes they see more projects coming in with bigger dollars for site work and that 2 % number has gone up quite a bit. Municipalities can have fees for permits and administering different things, but they can’t be excessive. There is some work behind the scenes that goes into administering a performance guarantee. She explained how that process works. This is coming before the Council as a checks and balances to look at our fees and make sure they accurately reflect the cost incurred administering these projects. There were some larger projects in the last few years that were over $10,000. There was one for $55,000 and a partial fee that’s about $160,000 of which $40,000 has been paid. These site work costs are so high now, the 2% fee is going up. The recommendation from staff before you is to put a cap of $10,000. If you have one property with ten projects then those fees would be treated separate, but for a large project they calculate it once. We would suggest this goes to any fees that haven’t been paid yet or the Board recently approved projects that haven’t started construction and they do have a condition regarding the administrative fee.

There is a large project under way and they have millions of dollars just in site work so the 2% administrative fee they would owe us for overseeing the performance guarantee would be $130,000 which is far in excess of what it costs to do the work. Ten thousand dollars for a big project that can go over years would well cover the time that the Planner and Engineer put into it. For the bigger projects, it’s excessive to not have a cap on them. There are occasionally projects that would exceed $10,000 but in the scheme of things 95% are under that. Would it make sense to have a provision in a large project situation, you could come to the Council to increase it by 10% for a project that exceeded a $100,000,000?

Developers want to know what the clear fees are up front. You can make the amount higher or you can have people come to the Council on a case by case basis for a fee waiver. The Council can do that, but not staff.

Councilor Fournier thinks we should set the maximum at $20,000. That gives us a buffer and we still have a cap for large projects.

To clarify there is a performance guarantee which is separate from the administrative fee. The performance guarantee isn’t being changed. The Board has a condition. A developer comes in with all the site improvements they are doing using the example of $200,000. The developer gives a performance guarantee whether it be $200,000 cash or a letter of credit for $200,000. They keep that on the side while they build the project. There are costs that go into administering that including working with the applicants and working with the banks, we charge them 2% of that site amount (so 2% of $200,000).

They did a history of stuff over time and what we thought went into work. For a lot of the bigger projects, they are bigger developers and they don’t rely on every penny as much as some of the small businesses and small developers. If you are doing a reduction every month to the bank or for cash, there is more labor involved.

Is this fair to smaller developers? Should it be 1%? She feels like it works for the smaller projects. On larger projects where they are just doing site work, the costs over the past 5 years have gone up and we need to make sure we keep them at a level that reflects the time and work in administration going into these things.

Andy Arsenault: He supports the 2%. A developer comes into the town to build a development they’re going to pay a lot in taxes and have paid a lot in fees. They are trying to work through this to make clear that Freeport is more on an even keel with towns around for development, so they can increase our tax base and do things downtown. He has also heard complaints that the town has held onto the initial bond for too long and he thinks we need to address that as well.

Does staff support raising the maximum to $20,000 with construction costs rising? The Manager explained that it’s really not construction costs, it’s the cost to administer it. She thinks, based on current salary and current time we are putting in $10,000 might be the minimum. If you want a buffer, she doesn’t think right now she has a project out there that would exceed the $20,000 other than the one project that has paid a portion of theirs.

What do we do if we get lucky and get a project that exceeds the $20,000? It would be capped at $10,000 and everyone goes on their merry way.

**BE IT ORDERED**: That the Municipal Fee Schedule be amended to set a 2% Administrative Fee maximum of $10,000. **MOVED AND SECONDED** (Fournier & Daniele) **VOTE:** (5-Ayes)(1-Nays Bradley)(1-Excused)

(Town Manager Caroline Pelletier) (10 minutes)

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ITEM # 74-23 To consider action relative to approving the 2023 Short-Term Rental Registration Renewals.

This ordinance took effect July 1st 2021. The annual renewal process has been completed. We had 64 renewals. We had four people who opted out and chose not to renew. We had 5 short term rentals that had to pay the $200 late fee. We had zero complaints registered with Code Enforcement. To date we have 4 new rentals for 2023. As the Council, they are required to review the renewals annually in March.

Councilor Egan asked about the geographics of the rentals as to whether they are all over town or in one area. The town clerk has not charted that but will report back. The cap is 300. We have issued 90 licenses with some not renewing each year.

**BE IT ORDERED**: That Short-Term Rental Registration Renewals for 2023 be approved. **MOVED AND SECONDED** (Pillsbury & Daniele ) **VOTE:** (6-Ayes)(0-Nays)(1-Excused)

(Town Clerk, Christine Wolfe) (5 minutes)

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ITEM # 75-23 To consider action relative to a late fee waiver associated with a Short-Term Rental (STR) Registration Renewal.

This was a resident property owner who had previously complied with and met the registration requirements for a short-term rental in their property. In 2022, they reached out to the groups working with Asylum Seekers and they housed a family in their short-term rental for a calendar year or more to help out with the housing crunch. When it came time to renew their short-term rental their resident was a year-round resident. They were advised they didn’t need to have a renewal with a year-round. Shortly after, the renter found permanent housing and the resident building owner came back in and was advised they missed the deadline and there was a $200 late fee to reregister their short-term rental. We should consider waiving the late fee as they housed a homeless family for almost a year and the calendar just didn’t line up. It’s an unfortunate catch between the rules. Otherwise, that property hasn’t had problems with the rules.

Councilor Daniele: Can a new registrant, register at any time? Yes. If this one was out of commission for one year, if they can prove they didn’t take the minimum number of short-term rentals last year, that might be something to add in that all you have to do is show a note showing rental history to establish a new STR. He’s in favor of granting. Per the Ordinance, they can register as a new registration if they have been expired for a full year. In this instance, the registrant switched from short term to long term rental during the registration period. When it was renewal time, they were doing long term renting so they didn’t even qualify for the Short-term rental registration. The late fee is $200 plus the $100 permit fee.

**BE IT ORDERED**: That late fee be waived for a Short-Term Rental Registration renewal located at 136 South Freeport Rd be approved. **MOVED AND SECONDED** (Egan & Daniele) **VOTE:** (6-Ayes)(0-Nays)(1-Excused Lawrence)

(Councilor Egan) (5 minutes)

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Motion to take item #76-23 out of order **MOVED AND SECONDED** (Piltch & Egan) **VOTE:** (6-Ayes)(0-Nays)(1-Excused)

ITEM # 76-23 To consider action relative to a Use of Town Property Request for Visit Freeport.

Visit Freeport has created the Freeport Oyster Festival which had its’ inaugural year last year. They also run the highly successful Fall Festival. This year they have asked to use Nathan Nye Street between Starbucks, MOFGA and Ben and Jerry’s. That is town property, so they need to ask permission from the Council.

Kelly Edwards, Executive Director of Visit Freeport: They do host a number of festivals each year including the second annual Oyster Festival and the 24th Annual Fall festival. We’ve lost some of their sites due to construction going on around town. They need to think creatively about where they are going to host events as they expand. They are requesting about 400 feet of Nathan Nye Street to continue to host these events. The Maine Oyster Festival is the not three days as listed on the agenda. It will be June 24 & 25 only. The Fall Festival is three days, Oct 6, 7, and 8. The plan put forward before the Council was developed by community relations manager for Visit Freeport, Margaret Hoffman who is very thorough. That was in partnership with Public Safety and Public Works. There were letters of support included. They are always seeking volunteers. They are a full -ime staff of two and a part-time staff of one. For the Fall Festival they have 200 exhibitors. They can always use a hand managing that many people.

**BE IT ORDERED**: That the Use of Town Property Request for Visit Freeport for closure of Nathan Nye Street from Main Street approximately 420 feet westerly during the Maine Oyster Festival June ~~23~~- 24 & June 25 and Fall Festival October 6-October 8 be approved. **MOVED AND SECONDED** (Piltch & Daniele ) **VOTE:** (6-Ayes)(0-Nays)(1-Excused )

(Council Chair Piltch) (5 minutes)

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ITEM # 77-23 To consider action relative to the transfer of excess Fund Balance to Capital Reserves as recommended by the Town Treasurer.

The Treasurer came before the Council in February asking to transfer some funds to our Capital Reserves that were deemed excess fund balance from our prior financial audit. The response from Council was to hold off for processing and thinking about what they wanted to do. This two million has been sitting in cash to keep it liquid in order to be able to move it. If we are not going to move it, she wants to put it into an investment vehicle that might earn money. She is asking to move this balance to Capital Reserves as recommended.

Could you characterize the size of the surplus this year, the 1.9 million? Is that an outlier number or is that somewhat in line what we see for fund balance excess that we commit back to Reserves? Historically, it has not been this large although the last few years have been in the ballpark of this amount. She continually tries to be conservative with her revenue numbers. One of the biggest changes with this year’s amount is that the revenue sharing went to it’s full 5% which was not originally projected. We have to wait to get those numbers from the State, which we did not originally have. When they went to 5% that drastically increased what she was been conservative on in the budget. That’s the largest component to this being 1.9 million. We also have Department Heads who understand the economic climate that we were in and doing their best to minimize their asks, sometimes to the detriment of what we need going forward because we end up with a 3.2-million-dollar Capital Program. Councilor Egan wanted that to come out, that it’s a combination of new revenue from the State as well as expert budget management and being conservative up front. He added up the Reserve balances that are in the Capital Plan document and it's over a million dollars and the 1.9 million dollars would be added to that. He wanted to point out that would be over 10 million dollars. While we contemplate the gravity of a 3.3-million-dollar Capital Budget, it is in the context of having 10 million in Reserves. In the last 9 years, this is only the second time they have had a Capital Budget over 3 million dollars. Historically, the Capital Plan runs 1.2-1.5 million dollars. This is not a normal capital year. We needed a few years to recover after the last three-million-dollar year. With this economic climate we’ve needed more years to recover because the rates weren’t there. We are rebounding. Our investment advisors and where we keep our overnight funds, and she thinks we are going to see a great return on our overnight funds which will drastically help the General Fund side of things. We will slowly see that on the Reserve side because the CDs are renewing and we are getting better rates. This money is sitting in cash and this will allow us to put those into the higher return vehicles.

If we transfer the two million, we could still access it by pulling back from Reserves, it’s just getting better returns.

Councilor Egan: In the memo, we outline the requirements for what is the trigger before fund balance is considered excess fund balance and it’s 1.5 months of operation. We are allowed an additional 5% over that. With your conservative budgeting, do you consider that an adequate threshold? Ms. Maloy replied the best practice used to be 1.5 months, it is now 2 months. We have not updated our policy yet. She has mentioned this over the last couple years. If she had an ideal, it would be the two months. Right now, we pay 1.8 million dollars a month to the school. We are doing fine at 1.5 months. Councilor Egan referenced the scare we had when the network was hacked and there was the threat of ransom to protect our information from getting out. That was one of those things that triggered while we are focusing on how conservative is conservative, there are things out there that are offsets about why we have those Reserves to be able to continue funding our operations when there are bad actors.

Councilor Fournier: We are over 10 million dollars, but we have significant expenses over the horizon. We have a ladder truck that will probably be 1.6 to 1.8 million dollars. We’ve seen Rescues go from $300,000 to $450,000. That doesn’t make me more comfortable. We need to take a serious look at what’s going into the Capital. He for one would like to see us get back to the true Capital Budget that we fought for that worked well for 30 years. We’ve gotten sidetracked on that and we’ve added a ton of money to it.

**BE IT ORDERED**: That the transfer of excess Fund Balance to Capital Reserves as recommended by the Town Treasurer be approved. **MOVED AND SECONDED** (Daniele & Bradley) **VOTE:** (6-Ayes)(0-Nays)(1-Excused Lawrence)

(Finance Director, Jessica Maloy)(20 minutes)

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ITEM # 78-23 To consider action relative to the Request For Proposals (RFP) for the Town Manager recruitment consulting service.

This is about potential action for acting on the RFP we got for Town Manager recruitment. We got 5 responses. He’s prepared to make a recommendation tonight. On the last page of the memo it list the five firms that responded. One local firm that was $10,000 that had a different scope of services, they didn’t do as many things as the others. The other four were almost exactly the same, in the $27,000 ballpark. The sentiment was to cast a wider net and go with a national firm and hire from a national pool of candidates. We made calls and sort of checked references on the remaining four. Three of the four would be fine choices. The Chairs recommendation would be to go with Baker Tilly. They sent a nice, well thought through proposal. They are a little glossier and fancier than the others and that is the quality of the materials they will send out to candidates so it is important.

Councilor Fournier likes GovHR because the group that worked at that used to be through ICMA. ICMA was a group that was formatted many years ago for City Managers. They kind of grew out of that. Through his years he has sat on panels to hire Fire Chiefs that have used GovHR and they were excellent. They’ve done both large and small applications for hiring. From his experience, they are a reputable company.

Councilor Egan: He sits on a bank advisory committee. The bank uses Baker Tilly on a very technical finance program. He gets a lot of interface with their consultant who runs their compliance and helps with understanding the rules. They have always come across as a very solid firm. He has no experience with the others.

**BE IT ORDERED**: That a proposal from Baker Tilley in the amount of $26,950 be selected to conduct the Town Manager search for the Town of Freeport.

**BE IT FURTHER ORDERED**: That Interim Town Manager be authorized to sign a contract for the services. **MOVED AND SECONDED** (Piltch & Daniele) **VOTE:** (6-Ayes)(0-Nays)(1-Excused Lawrence )

(Council Chair Piltch) (15 minutes)

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ITEM # 79-23 To consider action relative to signing the RSU5 Budget Validation Election Warrant for June 13, 2023.

In order to call the school budget referendum, they provide the election warrant calling it. The Council then has to countersign it. The Budget Validation Election is June 6, 2023. Keep your eyes out for the budget meeting in May, that’s where the dollar values are set. The Budget Meeting is at the Durham Community School this year, either the 24th or 25th.

**BE IT ORDERED:** That the RSU5 Budget Validation Election Warrant for June 13, 2023 be signed. **MOVED AND SECONDED**  (Bradley & Daniele) **VOTE:** (6-Ayes)(0-Nays)(1-Excused)

(Town Clerk, Christine Wolfe) (5 minutes)

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**OTHER BUSINESS:**

1. Presentation of FY24 Operating Budget (Finance Director, Jessica Maloy)(30 min)

Councilor Fournier would like the Manager to look into fire hydrants in town that have been out of service for over a year. We normally pay $360 per hydrant per month. He wants to get a credit back for the hydrants that haven’t worked. The Chief has a list of the hydrants. Maine Water is responsible for the maintenance of the hydrants.

For FY24, we are looking at a total tax of $29,426,987 which would be an .85¢ projected mill rate impact at our current valuation. The municipal component of that is $970,360 change of FY23 or 17.05%.

From an expenditure side, we have a requested impact of $1,254,060 increase over FY23. The major drivers are as follows:

* We have three additional staff positions and their associated benefit impact for $233,000. That includes a shared PD Patrol/Marine Officer Position, a Communications position and a Library part time position.
* There are increased wages of $203,000 which encompasses our pay scale step increases, contractual wage changes and transfer of NET wages to the General Fund.
* Benefits associated with those wages for $282,500. It’s a hybrid what makes up this benefit increase. There is a 4.6% increase in our health insurance premium, but it’s also more staff are being covered because more full-time staff has been added.
* There’s also a COLA adjustment of $279,000.
* There is $40,000 for Downtown Visioning Program and projects for Council to match or use as they deem.
* Paving was increased by $25,000. Last year she had asked about increasing by $100,000 and we decided to use ARPA funds instead of increasing the operating budget. This year we are asking for $25,000 because she didn’t want to come to them with a 30% increase in the operating budget.
* There is also $52,000 for regionalized services which include use of FCS for General Assistance, the use of Brunswick for dispatch and Animal Control Officer services and the Conservation Commission is asking to bring in the Marine Conservation Corp for labor and work amongst our parks.
* There are miscellaneous cost increases for $139,000 including hydrant rentals, IT and Cyber Security and Bustins Island appropriation.

Those are the major expenditure increases over FY23.

Revenues are increasing by $283,700. The major drivers are:

* Homestead Increase=$125,000
* Interest Income Increase=$125,000
* Revenue Sharing Increase=$50,000

Those are the major revenue drivers which leave us with the municipal tax rate impact netting to $970,360 or that 17.05%. Our current FY23 mill rate for the municipal component is $2.95. The FY24 proposed would be $3.39 if the evaluation stayed the same.

RSU5 is projected at $21,239,560 which is a 33.45 cent increase (or 3.54 %). The levy dollar value being $726,215. The county increase is $147,790. A big chunk of that is for a 6-month budget. We received notice that they are moving to fiscal year rather than calendar year, so we have to account for a 6-month budget. Freeport opted to do that over a five-year span so this is year one of that. We will see an increased County budget for the next 5 years. The Metro transit service is increasing $2,930 or 3.4%.

The items Ms. Maloy is going to propose are not part of the proposal in front of the Council, but she is listing them for consideration of addition to the budget.

1. Fire Rescue ask for additional medic position. The budget impact would be $95,700
2. Buildings and Grounds-restructuring going on. The ask was for the Library to be cleaned with a cleaning service. Town Hall currently is maintained by a cleaning service. The library is a larger facility. The cost would be $60,000
3. The Town Engineer is looking to contract out Downtown Visioning Projects. A light estimate is $30,000 to bring someone in to handle those projects.
4. The Library asked for two part-time staff positions. This request is for the second part time staffer.
5. There were 5 Social Service Agencies that came in. The only outside agency requests that are included here are the ones that she received a request from this year and two they were given an appropriation last year. The five on the list she provided did not have an appropriation last year. It would take Council action to add it in this year.

For background on outside agencies, the requests in FY23 that were appropriated came to $53,800. That was across nine agencies. We had fifteen agencies request this year for $113,600, nearly double last year.

Budget Schedule:

May 2- is the start of the Budget Workshop

May 10- the department heads will meet with the Public 7:30 – 8:30 am and 5:00-6:00 pm

May 16- Council Workshop

June 6- Public Hearing on Operating Budget at regular Council meeting.

June 20- Target Date for Budget Adoption

If it is not adopted on June 20th and it remains unadopted by June 30th the Manager’s/Treasurer’s proposed budget would pass. So, if Council does not adopt an amended budget, this or an amended budget by June 30th, the proposed budget you’re seeing tonight is what will be in place until a budget is adopted come July 1. We do not have many people show up for the morning session with Department Heads. Councilor Fournier thinks one public session would be adequate. The benefit behind it is self-serving for the Treasurer as it meets one of the criteria for the budget document award she goes after annually. It doesn’t need to be two sessions.

Chair Piltch asked to talk more about the $40,000 piece that keeps popping up about the Downtown stuff. When they presented in February about the Downtown Vision update, one of the recommendations that was given was to not always wait a year to do everything. If there are little things you want to do midyear, it’s good to have a pocket of money from which you can allocate money to do that. Would this be ongoing for next year? This is a new fund we’re establishing. An example was when the Farmers Market came to us and asked for $2,000. That would be a use for these dollars. There was also asks for a transportation study, for the Sewer grant match and for the platform at Memorial Park. All of those are being asked to be funded out of FY23 with no appropriation. This would give some flexibility for that.

Councilor Egan believes the Tri Town Little League is a Capital item. It’s a request for materials and Tri Town is going to supply all the labor and design. He doesn’t want to add to the Capital, but he wonders why it’s in the Operating Budget? Is it so we can get to the money quicker?

She explained that it had to do with when the request was received and where we were at in the process. Given the nature of the outside agency requests, we are in a transition between what used to be human services which is more along the lines of the Elders Association or Oasis or Through These Doors, more service-based agency requests. The things town may have to pick up if these agencies didn’t exist. Now it has shifted to sort of outside use including things like the Historical Society dues or the Meetinghouse Arts or Grange Hall. It’s expanding to all these non-profits asking. It felt to be that type of ask. If the Council wants to incorporate it into the Capital plan at the point of appropriation it would be their discretion. If you look at their ask which you will get before the next meeting it is similar to what came before you with the scholarships. It was asked if they had asked Durham or Pownal and the answer was no. This is the same case with this request, they are only asking the Town of Freeport. However , it’s a capital improvement for a facility that the town owns. It happens to be that the league includes children from the other two towns, but other groups use that and it is absolutely an improvement of a town owned facility. He thinks there is a difference there about whether it’s something all three towns would support. He’d like to look at that. A compelling argument that he heard at the HRF committee is that the current dugouts do not provide much safety if there is a flash lightening storm. That’s a wide-open field there and the proposed dugout design would provide protection. For $26,000 he’d hate to have someone say “why didn’t you protect those kids”.

Councilor Egan complimented Ms. Maloy on the fine job on the budget document.

1. -TABLED TO NEXT MEETING Discussion of possible 3rd party sponsorship of a level 3 EV Charger on Public Property (Councilor Egan)(10 minutes)

EXECUTIVE SESSION

ITEM # 48-23 To consider action relative to an Executive Session pursuant to 1 M.R.S.A. § 405(6)(C) pertaining to a Real Estate matter

**MOTION:** That the Town Council enter Executive Session. (Piltch & Daniele) (6-Ayes)(0-Nays)(1-Excused)

**MOTION:** That the Town Council exit Executive Session. (Piltch & Daniele) (6-Ayes)(0-Nays)(1-Excused)

(15 minutes)

The Chair reviewed the items on the list to keep them current.

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| --- | --- | --- | --- | --- |
|  | **OUTSTANDING OR UPCOMING****ACTION ITEMS** | **INITIATED ON** | **PROPOSED BY** | **ADDITIONAL INFORMATION** |
| **#1** | **Review of Town fee schedule this****year** | **1/4/2022** | **Councilor****Pillsbury** | **Tasked for April 2023** |
| **~~#2~~** | **~~Schedule dates for touring~~****~~facilities~~** |  | **~~Chair Piltch~~** | We can’t do as a group without calling a meeting. |
| **#3** | **Explore new fire rescue substation in District 2** |  | **Councilors Fournier &****Bradley** |  |

**END OF AGENDA (Estimated time of adjournment 10:55 PM)**