

MINUTES
FREEPORT TOWN COUNCIL MEETING #27-19
FREEPORT TOWN HALL COUNCIL CHAMBERS
TUESDAY DECEMBER 17, 2019
6:30 P.M.

<u>ROLL CALL OF MEMBERS:</u>	PRESENT	ABSENT	EXCUSED
Daniel Piltch, 25 Quarry Lane	x		
Eric Horne, 62 Pine Street	x		
Douglas Reighley, 2 Harbor Ridge Road	x		
Sarah Tracy, 2 Pettengil Road	x (arrived at 6:35 p.m.)		
John Egan, 38 Curtis Road	x		
Tawni Whitney, 56 Baldwin Road	x		
Henry Lawrence, 93 Hunter Road	x		

Chair Egan called the meeting to order at 6:30 p.m. and mentioned that Councilor Tracy is excused until later.

FIRST ORDER OF BUSINESS: Pledge of Allegiance

Everyone stood and recited the Pledge.

SECOND ORDER OF BUSINESS: To waive the reading of the minutes of Meeting #26-19 held on December 3, 2019 and to accept the minutes as printed.

MOVED AND SECONDED: To waive the reading of the minutes of Meeting #26-19 held on December 3, 2019 and to accept the minutes as printed. (Reighley & Horne) **VOTE:** (6 Ayes) (1 Excused-Tracy)

THIRD ORDER OF BUSINESS: Announcements

Chair Egan announced:

- The **New Year's Eve Fireworks** will take place on Tuesday, December 31st and will begin as close to 6 p.m. as possible.
- **Food For Fines Returns to the Library.** For the month of December, the Freeport Community Library will be waiving \$1 in fines for 1 can of food or similarly priced nonperishable contribution. These items will be donated to Freeport Community Services.
- There will also be a **Rabies Clinic** at Town Hall on Saturday January 18th from 9-12 p.m. People will also be able to license their dogs during the Clinic.
Please remember dog licenses expire on December 31st of each year. You may register at the Freeport Town Hall or online at: www.doglicensing.com.
- Mike Hughes, ISA Board Certified Master Arborist, will begin holding quarterly seminars on **Arbor & Land Management Issues in 2020. On Tuesday, January 28th, 2020 from 5:00 – 6:00 p.m.** in the Town Council Chambers he will be covering the latest information on insect

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pests – in particular the **Browntail Moth, Hemlock Woolly Adelgid and Emerald Ash Borer**. More information can be found on the town’s website calendar.

Councilor Horne announced that Citizen of the Year nominations are still open in the event someone has a name or two to submit.

NOTE: Councilor Tracy arrived at 6:35 p.m.

FOURTH ORDER OF BUSINESS: Information Exchange

Councilor Reighley explained that Complete Streets met on the 12th and what is coming up for them is very important for them to understand what Complete Streets mean. A definition is being worked up and will be discussed at length in their January meeting. It will help them understand the new direction and purpose of what was formerly called Traffic and Parking.

Councilor Whitney pointed out that Age Friendly Freeport and Pownal is now the new name for Aging in place. They met last week and formed some subgroups which has been helpful because they are now able to meet with a smaller group of people and then do their good work and report back. They also received a transportation grant so someone will be hired to organize volunteer transportation. Mark Miller is now their new Chair. They are working on winter projects that they will announce soon.

FIFTH ORDER OF BUSINESS: Town Manager’s Report

Mr. Joseph reported that he had to issue a retraction and correction of statements he made at the previous Council meeting. He got the early closing wrong by one hour on Christmas Eve. The offices will close at 2 p.m. not 3 p.m. The correct schedule is as follows:

Holiday Schedule

Wednesday, 12/18, Town offices/departments will close from 12 Noon to 1 p.m. for a holiday luncheon.

Tuesday, 12/24 – All Town offices/departments will close at 2 p.m.

Wednesday, 12/25 – All Town offices/departments will be closed all day.

Wednesday, 01/01 – All Town offices/departments will be closed all day.

Emergency Services (Police/Fire/Rescue, and Public Works in the case of inclement weather) remain on duty and on call 24/7 during the holiday season. Special thanks go out in advance to the employees of these departments who work holiday hours to keep our residents safe!

Sparkle Week

Over the past week plus, Visit Freeport organized a series of events to celebrate “Sparkle Celebration 2019”, including the popular Parade of Lights on Friday, 12/06. This year, in addition to the regular events, a popup Sparkle Market was organized over the weekend of 12/14-12/15 in vacant storefronts (including the Bartol Library) along Main Street to sell holiday gifts.

In addition to our regular entrants of emergency service vehicles in the Parade of Lights, this year we also had an entry from the Public Works Department, shown in a photo, which got many positive comments from the community!

Firewood Available

The Public Works Department is working on developing a plan to make surplus wood from Town projects available at the Recycling Facility for pickup by permitted users of the facility. This program is expected to roll out toward the spring/summer of next year. Specific program details will be announced as we approach that time.

Councilor Tracy thanked the artisans who spent time on two full weekend days before Christmas coming to Freeport. She hopes they found it to be valuable. She went to all four sites on both days and found a really neat array of wares. Even if we don't have empty storefronts next year, she hopes we will find a space for them.

Councilor Tracy thanked Town Staff for decorating Town Hall with Christmas lights. It is looking notably better than last year. She appreciates the effort made to make the Town of Freeport buildings in the Town center look festive. Mr. Joseph noted that Visit Freeport had a bit to do with it as well. It was a joint effort.

SIXTH ORDER OF BUSINESS: Public Comment Period – (30 Minutes) (Non-Agenda Items Only)

There were no public comments provided.

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

ITEM # 193-19 To consider action relative to adopting the December 17, 2019 Consent Agenda.

BE IT ORDERED: That the December 17, 2019 Consent Agenda be adopted.
(Egan & Reighley)

Chair Egan reviewed the items on the Consent Agenda for members of the public. **VOTE:** (7 Ayes) (0 Nays)

ITEM # 194-19 To consider action relative to setting a public hearing for a new liquor license for Athena's Cantina.

BE IT ORDERED: That a Public Hearing be scheduled for January 7, 2020 at 6:30 pm in the Freeport Town Hall Council Chambers to discuss the new liquor license application for Athena's Cantina located at 304 US Route One.

BE IT FURTHER ORDERED: That copies be distributed equally between the Town Clerk's Office, the Town Manager's Office and the Freeport Community Library for inspection by citizens during normal business hours and the notice be placed on Freeport's local cable channel 3 and the Town's website. (Lawrence & Reighley)

Councilor Tracy asked where this business is located. Mr. Joseph advised that it is at the intersection of Old County Road and Route One. Councilor Reighley mentioned that it is a little red trailer near the antique shop and they will make it more of a permanent site. **VOTE:** (7 Ayes) (0 Nays)

ITEM # 195-19 To consider action relative to setting a public hearing for a new on-premise liquor license for Stars and Stripes Brewing.

BE IT ORDERED: That a Public Hearing be scheduled for January 7, 2020 at 6:30 pm in the Freeport Town Hall Council Chambers to discuss the new on premises liquor license application for Stars and Stripes Brewing located at 8 Varney Road.

BE IT FURTHER ORDERED: That copies be distributed equally between the Town Clerk's Office, the Town Manager's Office and the Freeport Community Library for inspection by citizens during normal business hours and the notice be placed on Freeport's local cable channel 3 and the Town's website. (Horne & Lawrence)

Chair Egan explained that this application was in the Council's packets. Mr. Joseph advised that they are already a licensed premise but they are expanding to offer wine. **VOTE:** (7 Ayes) (0 Nays)

ITEM # 196-19 To consider action relative to appointing a Freeport Representative to the RSU5 Board of Directors to fill a vacancy through November 5, 2020.

BE IT ORDERED: That _____ be appointed to fill a vacancy on the RSU5 Board of Directors through November 5, 2020. (Tracy & Reighley)

Chair Egan advised that some correspondence was included in the Council's packets. A letter is before the Council this evening that Ms. Woodard has withdrawn her application. The Council has another applicant that is sitting with us this evening and Chair Egan asked her to introduce herself.

Susana Hancock gave a brief introduction of herself. Councilor Tracy mentioned the School Board is going through an evaluation of the cost sharing formula between the three towns and the Council has been active in voicing what the Council believes to be the interest of Freeport taxpayers and when Ms. Hancock gets on the Board; she will have to figure out for herself what is the right decision. She hopes that she will be open to the comments of this entity and also all the residents who choose to participate in that public process and factor that in as she decides what is the best outcome in the interest of the school and residents.

Councilor Reighley has known Ms. Hancock for many years and knows she has great personality strengths, is very focused and is a great listener. He appreciates her desire to serve on the School Board. Councilor Tracy thanked her for being willing to take the time. It is a big commitment. She also thanked Sarah Woodard for expressing an interest. She previously sat on the RSU5 Board and stepped aside because she was really impressed with Ms. Hancock's qualifications. She appreciates that she was willing to make room for a new member on the School Board. She looks forward to having Sarah participate in other capacities.

BE IT ORDERED: That Susana Hancock be appointed to fill a vacancy on the RSU5 Board of Directors through November 5, 2020. (Tracy & Reighley)
VOTE: (7 Ayes) (0 Nays)

ITEM # 197-19 To consider action relative to the appointment of William Rixon as Freeport's Representative on the Greater Portland Metro Board of Directors for a term to expire December 31, 2022.

BE IT ORDERED: That William Rixon be appointed as Freeport's representative on the Greater Portland Metro Board of Directors for a term to expire December 31, 2022. (Piltch & Reighley)

Chair Egan disclosed that he initiated this nomination when going through committee hearings. The seat on the GP METRO Board is new for us since we are recently an official member of the GP METRO. He had the idea of Mr. Rixon, a former Town Councilor, to represent the Town on that initial Board primarily because of his enthusiasm and advocacy to get the BREEZ serving Freeport and for his efforts to bring the community's interest in the BREEZ and help move it to where we are now which is an official member of GP METRO. That is where it came from.

Councilor Tracy noted she feels Bill Rixon is great, but asked if Char Egan offered it to others. Chair Egan advised that he did not. Before making this official, he discussed it with Mr. Rixon and he was extremely enthusiastic about it. Councilor Tracy mentioned that in the future if we are going to appoint to a committee, we might want to see if there are people interested which is a matter of process. Right now she supports Mr. Rixon and would say when we agreed to become part of METRO, we acknowledged that we have very little sway on that Board. We are one vote on a pretty big board and there are other municipalities and cities that have many more than one vote so we will need Mr. Rixon to be vocal and look out for the interests of this community fiscally. Her concern is making sure the investments and the capital expenditures that METRO is going to undertake are prudent and reasonable because we will share in those capital and operating expenditures. Councilor Reighley trusts the Chair's belief that Mr. Rixon will be fair in representing the Town of Freeport because of the knowledge of his working on Council in the past. It seems to be a good appointment for us.

VOTE: (7 Ayes) (0 Nays)

OTHER BUSINESS:

1. Discussion of process for Council consideration of cannabis business.

Chair Egan noted that the Council has had a self-imposed temporary moratorium that has been extended a couple of times on any consideration of cannabis-related businesses. In the past year and a half, the Council has been approached by existing businesses that are already operating in Freeport to advise us that they are here and there are changes coming. State Law regarding this matter has been in evolution and there is yet more rulemaking to happen. At this point there is a well-defined description of legal allowable businesses in the State of Maine. In the State-wide vote of 2016, 57% of this community voted in favor of that action to legalize adult use.

He and Vice Chair Whitney talked about inviting the Council to participate in an initial discussion here this evening about whether we would even have an initial discussion and what that might look like as proposed in the conversation. For instance, a hypothetical option would be for the Council to consider a workshop at a subsequent meeting prior to a Council meeting in January. He would recommend having it on the second meeting in January to allow time for advertising it. Another suggestion would be to have a

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special meeting just for this topic or the Council could decide to continue its current position which is not to allow any new businesses or expansions of existing businesses.

Chair Egan and Vice Chair Whitney wanted to bring this topic up because we have heard from a number of folks over the past 6-12 months in a series of meetings. In listening to our constituents, they wanted to have a discussion this evening about whether we want to consider opening and having public discussions.

Councilor Reighley asked if we do decide to do this, would we have the opportunity to invite a representative from the Office of Marijuana Planning of the State Department to come and be present at the same meeting. Chair Egan advised that the Council can decide who to invite and set rules. The point of tonight's conversation is to decide what that might look like if it even happens.

Councilor Lawrence feels it should happen. We have a couple of businesses in Freeport that are increasingly at risk of being put out of business because of what is changing in the system. It would be prudent for the Council to have the discussion at a Town meeting or a special meeting where people can come and discuss their feelings and their thoughts. Councilor Horne agrees it would be good to get a lot of input. The Council has heard from folks in the industry and he wants to hear from our citizens. He gets it that 57% of our residents voted to legalize adult use but he is still not convinced that we have 50% of our residents that want to have the establishments doing business in our town. He suggested that perhaps we would want to test this with our voters again and it goes out to a referendum. He is not against having a public discussion.

Councilor Tracy noted she supports a public discussion. The concerns that have been raised are legitimate. It makes sense to air all the points of view. She encouraged the Council to be very clear about what it is entertaining. The pending request is pretty narrow and is framed as: Please let the existing businesses that are currently growing under the Medical Marijuana Program grow under the Adult Use Marijuana. She encouraged the Council to expand out and say the Council is taking public comment on whether Freeport should have Adult Use Grow Operations in the Town. If we don't limit it, people will reasonably interpret our discussion to be: Do we want retail marijuana shops on our storefronts in downtown. She hasn't heard that that is the current pending discussion. She encouraged the Council to start small and entertain the grow issue because that is the one that has been brought to us and be clear about that. We can have a discussion on that and not get totally land-slided by the bigger issues.

Councilor Pilch advised that he would support a public hearing. It is his impression that people are expecting to have another chance to voice their opinions on the matter. He would welcome an opportunity to hear directly from residents beyond what he read in the minutes. He agrees with Councilor Tracy that it would be good to structure the conversation and say there are different options we are considering and it is not an all or none decision that is before us.

Vice Chair Whitney advised that she would look forward to having a meeting and she discussed with Chair Egan the possibility of having that meeting at the Community Center before a Council meeting so we don't add another meeting to our busy schedule. She feels it would be great to hear from everybody and understands about keeping it honed in on what we are talking about but she fears what that leads down the road to other changes. Even though we are only discussing one thing, she feels it may be a slippery slope into another.

Councilor Reighley believes there are only three options on the retail side of the cannabis industry and that is growing, caregiving and retail. The social club is no longer in consideration. He has personal knowledge of what is taking place on the medical side and that business is falling apart. He feels we can limit ourselves by staying within these three ideas of growing, caregiving and retail and entertain just that.

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He feels it is a beneficial discussion and something we need to face. Chair Egan believed there was also a definition of manufacturing and testing. Councilor Tracy was not sure caregiving is a category in the Adult Use but we should check that. She understands that growing and manufacturing are not public facing businesses necessarily. Her sense is that it is private and the retail stores are public facing.

Councilor Reighley mentioned that a retail operator was here at the last Council's public comment period and he feels it would be beneficial to go and visit that operation in Brunswick. Chair Egan feels there may be some value to having a presentation for 20 minutes or so from someone in the industry to define these terms and explain what is permitted, legal and what the vocabulary is so we can have a conversation based on what is in front of us in terms of what is allowed and what is not allowed. We can have a discussion afterwards on what we may entertain as potential opportunities we might want to consider. He is getting the sense that everybody is in favor of having a conversation in front of a Council meeting in a workshop format. He had some input before the meeting on whether we want to have a moderator at that discussion and whether it makes sense for the Town to look for a third party to be that moderator or have someone on Town Staff to be that moderator.

Councilor Reighley advised that he attended the MMA's workshop on this topic and somebody from MMA could be our moderator. A representative from the Office of Marijuana Policy, a State agency represented themselves. That discussion lasted 2 ½ hours which all towns could attend. He estimates there were 300 there. He suggested that the Council set aside 45 minutes for a discussion and that it be at a place other than Council Chambers so we could meet there possibly at 5:30 p.m. and begin our normal Council agenda at 6:30 here in Council Chambers. Chair Egan did not disagree with that but explained that the ability to provide live broadcast in that workshop is severely limited if we move it off site because of Staff capacity. We could record it but being able to televise from the Community Center would be quite a challenge and not advised.

Councilor Piltch noted since we are not voting, he would not be opposed to having the workshop recorded and made available. Councilor Tracy mentioned that we used to be able to broadcast live from the Community Center. Chair Egan mentioned that Staff capacity has changed. Councilor Horne agreed with Councilor Piltch that as long as we are not voting, he doesn't see any issue with having the meeting at the Community Center.

Vice Chair Whitney mentioned that if we are going to have a moderator, she would like it to be neutral. Councilor Tracy questioned why a moderator is needed. Chair Egan mentioned that it was only a consideration and he doesn't believe the discussion could get that unwieldy. It is only going to be a 45-minute discussion. Councilor Tracy asked if we are envisioning at this workshop a presentation and then some discussion. Will there be some public comment at that workshop? Chair Egan feels the public comment will be the focus of the workshop. No vote will be pending at the conclusion of the hearing. He feels a workshop is where we have a subject and we take public input and go discern and mull over and then have a vote subsequent to that at a later meeting. It may be in a week or a month. Councilor Tracy feels we are going to advertise for a more general discussion and not a very narrow subject. Chair Egan clarified that there has not yet been a motion on what the subject will be listed.

MOVED AND SECONDED: That the Council entertain a presentation and public comment period on the question of whether Freeport should permit the growing of marijuana for the adult use market and nothing else at this point. (Tracy & Reighley)

MOVED AND SECONDED: To amend to also include whether Freeport should allow for the retail sale of adult use cannabis and cannabis products. (Reighley & Piltch)
Councilor Reighley **withdrew** his amendment.

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Councilor Tracy explained that before she would be willing to narrow a workshop that narrow, she would need to know if it is legal or not. Right now, her instinct is to keep it for the use and after we hear from the public, the Council might want to discuss if it wants to limit it to just existing businesses and at that time we would have feedback as to whether that is legal or whatever considerations we should take into account.

Mr. Joseph explained that if there is support for that and the Council votes for that, there is a lot of work that needs to be done to distribute those licenses. He definitely would want to consult with the Town Attorney and rather than distributing licenses to general occupants, is there a way to limit it to people in town already in town or give a preference to established businesses. These are like Phase 2 things and there are a lot of restrictions that Council would have to wade through to get to that point.

Councilor Lawrence asked if we already do this for other businesses such as food carts. We only have a certain number of licenses that we give out for that so there is a mechanism there and something we already follow. He is aware there is a lot of work but doesn't believe it is work that hasn't already been done. Mr. Joseph mentioned that it was not the lottery process itself but the restrictions such as building codes, where they go, hours of operation, etc. that are potentially a licensing regulation.

Councilor Whitney asked if the Council can tour the two Freeport facilities. She would be interested in a tour and then they could talk about what it would look like if they were to go with recreational. They are the experts. Chair Egan recalled that the Council was invited to tour the operations. Councilor Tracy noted she would also be interested in seeing what the Council is considering but if we are touring, it is a public site walk and would bring a little bit of participation with it. Mr. Joseph mentioned that a site walk would require that there might be security issues for business owners about letting the general public inside the facility. He will look into that and if it is not possible, he does not believe there are requirements such as for a quasi-judicial requirement for a Planning Board or Zoning Board where you can tour on a one by one or two by two basis which would not constitute a quorum. He will confirm if this is legal with the Town Attorney. If there are concerns about letting the general public inside but still want individual people to come in, he will make sure it is legal and will get back to the Council. Councilor Tracy mentioned another alternative such as a presentation. If the Council cannot get there, perhaps it could have some pictures to better understand what is going on. Chair Egan is confident that one or two at a time would not pose much of a challenge at all.

VOTE ON MOTION: (7 Ayes) (0 Nays)

2. Discussion of 2020 Council Goals

Chair Egan pointed out that at the last meeting, the Council created an ad hoc subcommittee which did its homework. He thanked Councilors Horne, Reighley and Lawrence for stepping up and proposing some language for our 2020 Freeport Goals.

Councilor Reighley thanked everyone for their input on the suggestions for the Guidelines and Goals for the upcoming year. He noted their draft is before the Council and where they made additions, that ink is now blue and where they made deletions, that ink is red. He mentioned that we can add more things or delete more things. He noted that Councilor Lawrence had a great concern about accountability and Councilor Horne had great input about various things where they realized that one of the avenues is being able to direct items that come before us to the appropriate committees so they can act on and do their work before it comes to Council. He felt it was great input from both Councilors that served on this small group. If anyone has questions, he is confident the three of them will be able to answer them. He knows

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that Councilor Horne, in the first item of the guidelines section, wishes to continue the discussion of renewable energy. The question is do we feel we will be able to do renewable energy automatically but time for just highlighting a different goal.

Councilor Tracy referred to Item 4 in the guidelines and asked Councilor Reighley to describe the aging calendar. Councilor Reighley explained that we have issues that come before us and then we kind of lose track. We don't have a real way to know where things are so this is a common business practice to have a calendar that shows for example, we received a discussion on cannabis on such and such a date and we have had this discussion, and this discussion going forward. This is where it is now. This is the type of calendar we are talking about. It keeps things in mind. A classic example is where is the Island Rover today? It forces the Council to act more rapidly or more decisively going forward so we can say to our constituents, okay you brought this forward and I can see us acting on it within a six-month period of time. Questions about the format followed and Mr. Joseph explained that he would need direction on what the Council would want it to look like. Staff can maintain those things. His only question is that he would need firm direction on what would be put on it since the Council takes up 200-300 agenda items a year. Two-third of them are routine such as liquor licenses. He is aware the Council is talking about long-term issues but would need some sort of process on how something gets added to that calendar. He is not opposed to the idea.

Councilor Horne advised that it was not his idea but feels it is a great idea. The digital sign is another example where we say let's do it but he really never knows when it will happen. It would be great to show up in a meeting and say there's that thing. Here it comes or there it goes and once the sign is up, it comes off the list. He mentioned the green islands and that there are other things that could be added. He could foresee a format being easily constructed by Staff with our input. Councilor Tracy agreed that it would be helpful to both Council leadership and the Town Manager to have a piece to check in on more long-term items but also to residents. Somebody shows up and mentions that they want to go and research what people said or what the minutes said about the Island Rover and they have to go dig and get the Town Manager to articulate when the last substantive meeting was on that and then do their own research. If we had an Aging Calendar on something on that, the actual dates are there and they can go and find the meeting minutes themselves. It would be very helpful and she doesn't see a problem figuring out what is on there as we are having a discussion about an item, someone could ask if it is something that should go on the calendar?

Councilor Piltch feels it is a great idea and it would be helpful to limit it to long-term projects and maybe changing it to something other than "Aging Calendar" to avoid confusion. He would support it. Others agreed.

Councilor Horne referred to Guideline No. 1 and that he checked in with Mr. Joseph to see if there are energy efficiency or energy cost reductions still on the radar. He believes there are still a few things we can do as a Town and would support having the red ink stay and become black. Mr. Joseph mentioned there are two separate items and split one to two. Councilor Horne agreed they could be together or apart as long as the substance is preserved. Councilor Piltch asked if it would be worthwhile expanding it and saying there are other things in that same vein that aren't necessarily renewable energy or recycling but may be a reduction of packaging or other environmental concerns and we could lump them under the same goal in general, making it more broad. Chair Egan noted that Staff would very likely respond to direction from the Council. If there is something specific, we could get some feedback on, whether it is cost or capacity related, we can go from there. The more focus we put into this, the more likely we will have something accomplished. Councilor Horne advised that we are talking about reducing waste specifically and recycling is a piece of that.

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Councilor Reighley pointed out that this is a draft and changes can take place but if someone could summarize what we are suggesting on these changes so they can make the additions because last year we didn't approve the goals until the second meeting in January. It is not something the Council has to do tonight.

Councilor Lawrence's suggested change was: Council pursues solutions related to reducing energy costs and waste elimination costs. Councilor Piltch did not know if it was just reducing the costs. There may be some cases where it would be worth spending a fraction more to reduce waste and this is something the Council would want to discuss. He doesn't want to limit the goal to just reducing cost and or the cost of waste. Renewable energy is different than energy cost savings.

Councilor Tracy advised that renewable energy and energy efficiency are subsets of what the State is doing as a whole which is to reduce carbon emissions. We could say: The Council will pursue solutions related to the reduction of carbon emissions, the reduction of waste in consideration with respect to the costs to the Town of Freeport. Other Councilors were in favor of this change.

Councilor Piltch asked Councilor Lawrence what he had in mind when he wanted to add accountability in. Councilor Lawrence explained that No. 2 was to make sure we are all on a similar page. Accountability is just being able to pinpoint where decisions are made. If they need to be fixed, we can fix them so we are not going off in thirty different directions. Accountability holds us to a higher level.

Chair Egan asked the ad hoc committee if they had enough to continue with a final draft that the Council can view at the next meeting. Councilor Reighley advised that now they do. Chair Egan thanked them and mentioned that if Councilors think of something else between now and our next meeting on January 7, they can forward that to Councilors Horne, Reighley and Lawrence.

3. Discussion of Committee assignments

Chair Egan pointed out that the Council has in their packets a draft of Committee assignments. He and Vice Chair Whitney met last week after taking input from Councilors who articulately identified what they like to do with seven members and upwards of twelve or thirteen committees with some with multiple assignments and some with only one person assigned. They were not able to achieve everybody's preferred list of what they would like to do because there were a couple of committees that had no takers. He asked if there is a particular assignment that is causing heartburn for any Councilor whether it is schedule or topic and cannot participate.

Councilor Tracy asked why there are two Councilors on the Sustainability Committee when traditionally it has been staffed by one Councilor. Chair Egan explained that Vice Chair Whitney is on several others and he offered to tag team so that it would be either or. Vice Chair Whitney noted that another addition is that Arts and Cultural Alliance of Freeport has asked to remain on the list and she is willing to serve as their appointee so it will put her on yet another committee. Mr. Joseph mentioned that according to a document from former Chair Tracy, it outlined that it would be a temporary one-year appointment which the Council voted on last year. ACAF President, Jane Bradley sent him an e-mail requesting that Councilor Whitney remain on as liaison to ACAF for one more year with the possibility of further extensions. It is up to the Council to honor that request. Vice Chair Whitney explained that the project is doing very well and they are ahead of where they thought they would be in collecting money but the project has not gotten off the ground yet. They are hoping for continuity so they will feel they are a little more stable. She feels it makes sense and she is willing to continue.

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Vice Chair Whitney pointed out that Age Friendly Freeport and Pownal is also not listed and she is willing to continue as their appointee.

Councilor Tracy advised that with respect to the Arts and Cultural Alliance of Freeport, if we are going to continue to have that representation, she suggested making it clear that it would not be staffed regularly. If they have a need, they should ask Vice Chair Whitney to attend as their liaison. Without that provision the expectation we have for all our committees is that our liaisons are attending almost every meeting and that seems to align with practice but we should set the expectations accordingly. She feels it makes some sense to keep it but she is not sure it is a necessity but the project is still in a critical phase.

Chair Egan asked if generally for one year, can folks participate at this level? There was general agreement that they could.

MOVED AND SECONDED: To continue having Arts and Cultural Alliance of Freeport be an official committee with a Councilor designee from time to time. (Reighley & Horne) **VOTE:** (7 Ayes) (0 Nays)

Chair Egan mentioned that Age Friendly was inadvertently left off the list and no vote is needed.

MOVED AND SECONDED: To accept the complete slate of Council assignments with the two additions recently made. (Reighley & Horne)

Councilor Tracy brought up the fact that Vice Chair Whitney is on five committees. If she is comfortable with that, she is all for it and maybe that is appropriate. Councilor Piltch offered to participate with FEDC and is willing to work with Vice Chair Whitney to support her. He doesn't need his name on the list but it is his passion and something he feels responsible for in his district.

VOTE: (7 Ayes) (0 Nays)

Chair Egan thanked everybody for stepping up. He is aware there will be lots of meetings particularly in March and early April. He instructed Councilor Piltch to use the Staff to make introductions with his committees but technically the ball is in his court to identify himself to the committee as the new Council Representative. He explained that we have the Information Exchange on Council agendas to report on meetings we attend between Council meetings to come back and inform the rest of the Council on what is heard or accomplished at those committee meetings. He pointed out that the newly composed Ordinance Committee will have a juicy agenda item at its first meeting on Short-term Rentals and hopefully we will get some movement forward. The committees can elect their own Chairs. The Ordinance Committee will not be able to tackle more than one item at a typical meeting unless it is an extended period of time. Councilor Tracy suggested considering having regular Ordinance Committee meetings. They have been scheduled ad hoc and it slows things down. Given the number of items on the agenda, we might want to schedule a few months' worth. Mr. Joseph advised that the Sign Ordinance has been on pause and will require more time than Short-term Rentals. It is for all signs within the Town.

4. Update on Solar Energy Project/PPA

Mr. Joseph explained that the Town is still working on finalizing a solar array shared with the Freeport Sewer District. It is located in Fairfield, Maine. Aligned Capital is the investing partner and Revision Energy is the installer/middle man for the project. The Town and the Sewer District are the buyers of the project of the power through the PPA/Power Purchase Agreement. The Power Purchase Agreement was inked in October/beginning of November after review by the Town Attorney and edits back and forth

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three or four times by the Town. The Town and the Sewer District were represented by an attorney with Bernstein Shur. There were two identical PPAs and identical contracts but the Sewer District is about twice the size of the Town. The processes and the legal documents were all identical other than numbers and dates. In this past legislative session, there were major changes made to the solar power laws and regulations in the State of Maine that the Legislature put through. One of the substantive changes relevant to this topic is net metering which is the process by which you sell power back on to the grid as somebody that owns a generating capacity. The net metering in general regulates everything from size of what you can build, how you connect, how you put it back, how it is credited. It is the agreement between you as the consumer and the utility and how you treat the power, and how they treat and compensate you for the power. The law changed significantly and they had to make new rules through a rule-making procedure at the PUC. The new rules were finalized on December 7th plus or minus a few days, but just in the past week or two. This is significant because a big portion of the PPA is whether or not we can take advantage of the new net metering rules which have different standards and essentially make the project more feasible for financing. The numbers for the project that we reviewed were all assuming the State Law changes would be correlated into net metering rules that we could sign up under. Part of the issue is there is a December 31st deadline for the project to become active for federal taxation purposes. Essentially the project has to be under construction and quite a bit of the construction done. The other two parties besides the Town and the Sewer District are targeting to meet that deadline to get the tax credits at the higher 2019 level than the reduced 2020 level that they would be entitled to if the project went on line January 15 or February 1st.

Part of this specific issue is that the new net metering agreement which is a standard form of contract that would be approved by the PUC is not yet available so it means we cannot legally contract those credits with CMP under the new rules. There is some indicating that that might happen before December 31st from our attorney and CMP's attorney and Revision. They seem to think it would be between January 1 and February 1. They don't anticipate it being more than two months at this time. The program is pretty well defined as to what it is going to be but obviously the net metering agreement we would enter into as proposed by CMP has to go through the regulatory process and we are not there yet. As a result, both Revision and CMP has agreed to this and Aligned Climate Capital are proposing an interim net metering agreement that the Town and the Sewer District would enter into which would allow the Town to go on line and once the new net metering agreement/contracts become available, we would exit the interim agreement and sign up for the new net metering agreement under the new rules. He is hoping we will automatically qualify and everything will work out. Our attorney does not see any potential speed bumps in the road but it is never 100% done until CMP's contract is stamped by the PUC and our signature is on it. That is when we are protected. The details are kind of irrelevant. What is relevant is that it is different than what we considered when we initially agreed to the project. It is for a very short time period and he cannot guarantee that it is for one or two months but that is what we are being told by our attorney who is looking out for us and by the other parties. He feels it matches up with what the industry expects. They expect it to be between January 1 and February 1 that the contracts/agreements will be available. The good news is that any negatives he points out are mitigated by the fact that we are in the middle of winter and this is the least productive season for electric generation. This is the least generating point of the year. What are those negatives? Specifically, it is a different rate structure and it is not going to be the new rate structure when it is proposed. He has confirmed this with our attorney that the proposed structure gives us credits for what is generated only on a kilowatt to kilowatt hour basis. For round numbers say we use 100 kilowatt hours and we generate 90 kilowatt hours with the array, we get 100% offset for the full boat rate for those 90-kilowatt hours. No harm, no foul to the Town. Assuming that scenario happens because it is winter time and we are not offsetting all of our electric use, it is more likely for the Town not to see a negative in that case than the Sewer District because the Sewer District is actually closer to its electric use than we are.

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With the new rules we get a dollar value for each kilowatt hour based on the size of the system whether it is a small or medium user, commercial or residential. We are put in a rate category and essentially get a dollar value for each kilowatt hour that we sell back onto the system that we then apply to our bill. It would offset things like demand charges. The current rules and the proposed interim agreement would not offset things like demand charges. It works to the extent that we are fully offsetting our kilowatt hour usage, only to that extent. That is a little different than what we agreed to also. He expects that to be one or two months. It is different. He is not losing sleep over it but he is not signing it until he puts this in front of the Council. The Council may have questions and concerns and we may need to address them before we go forward any further. We have not entered into these net metering agreements. He wants feedback from the Council as to whether they feel it is substantially different than what was discussed and how they want to proceed.

Chair Egan yielded the conversation to Vice Chair Whitney. He had recused himself in the vote that entered us into this contract because he is involved in the financing. He stepped out of the conversation.

Councilor Tracy disclosed that CMP is her client and if anyone feels she has a conflict, she would be willing to recuse herself. There were no objections raised. She pointed out that the Council made a decision that over time this solar PPA with net metering credits, created a discount of a certain amount to our electricity bill. She sees this as different but does not see it as a long period of time and just as we looked at it with quantification, she would like to see some quantification of what it means even for this short period of time. Our deal with Aligned Climate Capital is a 20-year deal so for these three or four months it shaves off our 20 years and thus if it is slightly less of a good deal in these three or four months, overall the benefit is slightly less. She is surprised at this material but feels we should know that before we sign anything.

Mr. Joseph doesn't feel it is material but he will not stand up before the Council and the public and say it is not material. He feels we should know the total electricity usage which is several thousand dollars in an average month or between \$4,000 and \$8,000 depending upon the time of the year and the usage. That is the scope we are looking at potentially for two months. If everything is screwy and we have to double pay, it could be \$4,000-\$8,000 extra, something like that. He doesn't think it will be the case so it is not hundreds of thousands of dollars but it is thousands.

Councilor Tracy agreed and noted that we would evaluate that based on the savings over the life of the 20-year agreement which she could not remember what the savings were. We had long-time savings but there is a short-term outlay of additional capital which you could know if you were double paying. She is not sure we will be double paying. Mr. Joseph feels we will never double pay. The worse case scenario, if we lose 10% of that value, it is \$1,000. Councilor Tracy feels the Council should know. Sensitive to the timing, Mr. Joseph feels all the parties want us to sign but he does not disagree with what Councilor Tracy just said and that is the reason he brought it in front of the Council. He does not feel like there is a substantive financial hit here and he doesn't think our attorney felt it either but he requested and has not received those calculations from Revision. It was last minute and not Revision's fault so we haven't seen the confirmation of those projections. He feels like that they could do that projection for two or three months and show us what it looks like. If that is a prospective that is shared by the majority of the Council, maybe some kind of scope in an amount could be given to Mr. Joseph by the Council and some type of a judgment. He cannot confirm that it is anything negative financial at all. The production may be at the low point of the year. We may not be getting into excess capacity generation beyond what our kilowatt usage is and that is what our attorneys thought. It may be zero difference to us, it is the excess beyond our usage. The system is designed to offset more than our usage, a small percentage is designed to offset other costs like demand charges which are small but a significant portion of our electricity usage.

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Once again, we are still getting credit for every single kilowatt hour we generate versus what we use. The excess is the best way to look at it. Tonight, he cannot tell the Council we will have zero.

Councilor Horne asked who drafted this temporary agreement. Mr. Joseph advised that CMP, Revision, Aligned and our attorney have had input on it. Councilor Horne asked if this is written in such a way that there is an upside for one side and not the other. Mr. Joseph advised that the old rules were more favorable to owners not the off-takers, but it is marginal. The new rules favor both the developers, off-takers and investors. They do not favor the utility but it is all depending on your perspective.

Councilor Tracy pointed out that it seems like the pending question is who makes the decision. For purposes of the financial analysis, it would be nice to see what was projected during this time period, the numbers they showed us at the time versus what is going to happen under this slightly different net energy billing rate structure so we can compare. She is hearing Mr. Joseph saying who makes the decision? Is that something that Mr. Joseph or he and a small teeny non-quorum subcommittee decides about whether to sign or not. This project is going on line in theory by December 31st and the Council does not meet again until January 7th. Whether that is material for them, she doesn't know but she would say there is a hypothetical chance that they think that seven days of non-signage is material. For us it is really a question do we want a small group to decide whether to move forward. If the issue is bigger than a set parameter, bring it back to the Council or do we want the full Council to really know what all the consequences are before we decide to move forward. That seems to be the issue in play right now.

Mr. Joseph advised that that is exactly where he is going. If there is a percentage or a dollar amount the Council is comfortable with giving him feedback on, he doesn't need authorization from the Council to sign it but he is not going to do that if the Council openly tells him they are uncomfortable with the number. If there is a specific range of dollar values that he can use judgment. There is the exposure for \$500 potentially, if it is a couple of thousands of dollars if the Council wanted to come back to him at a certain level, if the Council would want Mr. Joseph to consult with a subgroup of the Council and not set a dollar amount, he is fine doing that. He could talk with the Council Chair and if he wishes to recuse on it, that is up to him. Mr. Joseph does not believe there is a financial stake for Chair Egan but he understands his recusal. He asked the Council to tell him what it is comfortable with. He doesn't think we are talking about big dollars but if it comes back as a potential \$5,000, the Council can bet it will be back in front of it in January or we will call a special meeting for it if it is an emergency. Mr. Joseph does not see himself signing off on that. He explained several options from the very negative to means nothing; no significant impact to the investor or the developer getting very angry with us for doing that and consider a breach of contract. There is a draft agreement to be signed but there is not a finalized agreement so we are speaking all hypotheticals. Our attorney has spoken several times back and forth with the developer, the investor and CMP's in-house counsel on how this would look. There is not anything the Sewer District could sign right now.

Councilor Tracy clarified that there are two agreements. One we have signed and one we haven't. We signed the PPA part which is the part where we pay the developer for our portion of every kilowatt hour that is generated by the facility. What has not been signed is the benefit to us which is the net energy billing agreement which is where we get credit for our portion of the kilowatt hours generated by the facility. When we went into this, it was a two-part thing. We pay them but we get a credit on the other side and based on the numbers, it was a hedge that created a discount on our electricity at the end of the day. The question that we don't know is under this interim net energy billing agreement that is being proposed because we haven't seen the numbers yet, is that discount less or is it nothing? She doubts it is nothing but if it is less, how much less than what we thought we would be getting in this period.

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Councilor Lawrence asked if we are talking about not the actual usage but what we create over and above what we use. Councilor Tracy noted that it needs to be determined. The description of that is confusing to her and she needs to better understand what this new interim structure is. She understands from Mr. Joseph that what we thought was going to be an energy billing arrangement was a dollar amount that got credited on our total electricity bill so it could reduce our demand charge. What she is now hearing Mr. Joseph say is that this interim net energy billing structure is only credited against our volume metric portion of our bill so it does not reduce our demand charge. Under what we thought we would get if we offset all of our volume metric usage and we still had extra credits, that could further reduce our electricity bill. Under this interim setup, she understands we can potentially offset all of our volume metric portion of our bill, and that's it. We need to understand whether we would even get to the amount of generation coming out of this facility at this time of the year, our portion, remember that the Sewer District has more than us, whether we would even get to a situation where we would be losing some discount we thought we were going to get.

Mr. Joseph advised that he missed one key part and that the key here is that the credits we generate, if we were to stay in the old system, we would just keep those kilowatt hour credits and the entire usage and use them, but they are not going to carry over between the agreements. That is the key.

Councilor Tracy noted there are two pieces as she said earlier. There is a carry-over piece but it is winter so we may not have carry-over. The second is the demand charge that we don't get under the interim agreement but would there be enough generation to offset our demand charge. It may not be a big deal but we need to see the numbers.

Vice Chair Whitney asked if it would make sense to have a small subset committee because December 31st is approaching pretty quickly. Mr. Joseph advised that the alternative would be to call a meeting of the full Council which can be done. Councilor Reighley and Councilor Lawrence volunteered to work with Mr. Joseph.

Mr. Joseph advised that it is safe to say that we will be relying on the modeled performance, the latitude, the number of sunny days, the location, the alignment, their data for that which we have no way, other than hiring a specialist and he does not think it is important at that point. We will rely on their model and see if the potential generation exceeds our potential usage and if that changes the carry-over. We don't care about anything other than two months. CMP has proposed this agreement but the PUC will bless the handling of any excess credits that are generated.

MOVED AND SECONDED: To create a subcommittee of Councilors Reighley and Lawrence which would give Mr. Joseph the authority that he needs to continue.
(Whitney & Horne) **VOTE:** (6 Ayes) (1 Abstention-Lawrence)

Councilor Tracy suggested that the subcommittee be designated to have the authority to make a decision on the condition that the discount is somewhere in a reasonable range and does not exceed 30% relative to what we thought it was going to be and not to exceed a couple of thousand dollars, Mr. Joseph added that it is a valid concern and he can make a reasonable decision. if it is zero, we have nothing to worry about and he will report back on January 1st and he will have already signed it.

MOVED AND SECONDED: To adjourn at 8:30 p.m. (Whitney & Reighley)
VOTE: (7 Ayes)

Respectfully submitted, Sharon Coffin, Council Secretary