

**MINUTES**  
**FREEPORT TOWN COUNCIL MEETING #02-20**  
**FREEPORT TOWN HALL COUNCIL CHAMBERS**  
**TUESDAY, JANUARY 21, 2020**  
**7 p.m.**

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

Following a workshop, Chair Egan called the meeting to order at 7:35 p.m. and mentioned that Councilor Lawrence is excused this evening.

**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 #01-20 held on January 7, 2020 and to accept the minutes as printed.

**MOVED AND SECONDED:** To waive the reading of the minutes of Meeting #01-20 held on January 7, 2020 and to accept the minutes as printed. (Reighley & Horne) **VOTE:** (6 Ayes) (1 Excused-Lawrence) (0 Nays)

**THIRD ORDER OF BUSINESS:** Announcements

Chair Egan announced:

- Please remember dog licenses expire on December 31<sup>st</sup> of each year. You may register at the Freeport Town Hall or online at: [www.doglicensing.com](http://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 28<sup>th</sup>, 2020 from 5:00 – 6:00 PM** in the Town Council Chambers he will be covering the latest information on insect pests – in particular the **Browntail Moth, Hemlock Wooly Adelgid and Emerald Ash Borer**. More information can be found on the town's website calendar.
- **Freeport Community Library's Annual Chocolate Bash** will take place on Wednesday, February 5<sup>th</sup> from 6:30 PM – 7:30 PM. You can taste test the chocolate goodies, enter the raffle to win chocolate desserts, and enjoy live music by the Cul-de-Sax. Chocolates are priced at \$2 a plate and all proceeds will benefit the library.

**FOURTH ORDER OF BUSINESS:** Information Exchange

Councilor Reighley advised that the Ordinance Committee met and had a fruitful discussion with the Assistant Town Manager in South Portland regarding the creation of our Short-term Rental Ordinance that we will be working on long term. They will probably have other guests and he believes they have the opportunity to have the creator of the Rockland Ordinance come and sit with us at their next meeting on February 12.

Councilor Whitney advised that she had the privilege of attending her first FEDC meeting this morning. Sometimes when we look at downtown, we wonder where everybody is going but sitting in that room with many intelligent and dedicated people to Freeport, find that many good things are brewing.

Regarding Aging in Place, Councilor Whitney reminded residents that if they need a bucket of sand to make their pathways safer, they should call her and she will have one delivered and right now they have been decorated by the High School students. Her phone number is (774) 212-0269.

Councilor Piltch explained that he attended the Sustainability Committee meeting at FCS. They had an impressive turnout and filled the room and had a speaker from the State Climate Council. He felt it was very informative. He also attended a much smaller meeting of the Conservation Commission and shouted out to the people who spent time in the middle of winter maintaining the trails on some Town-owned land. There are vacancies coming up on that committee and is something to keep an eye on.

Chair Egan noted that the Appointments Committee is meeting next week on January 29.

Councilor Horne advised that the Active Living Committee meeting was cancelled because of the snow storm. It will be rescheduled for next week.

Councilor Reighley advised that he went to the Winslow Park Commission meeting and introduced Councilor Piltch to the committee members. He was unable to attend but laid the groundwork for him.

Councilor Tracy pointed out that she will be attending the PACTS Policy Committee meeting Thursday and met with the Executive Director of GPCOG, Kristina Egan to get an update on what they are working on. There is a lot of transit discussions coming up so she will keep the Council apprised. There will be a merger discussion between the Boards of GPCOG and PACTS.

**FIFTH ORDER OF BUSINESS:** Town Manager's Report

Mr. Joseph reported:

**GFOA Distinguished Budget Presentation Award**

I'm proud to announce that the Town of Freeport has received the GFOA "Distinguished Budget Presentation Award" for the Fiscal Year beginning July 1, 2019. This award represents a significant achievement by the entity and reflects the commitment of the Town Council and Town Staff to meeting the highest principles of governmental budgeting. In order to receive the budget award, the entity has to satisfy nationally recognized guidelines for effective budget presentation. These guidelines are designed to assess how well an entity's budget serves as:

- A policy document
- A financial plan

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- An operations guide
- A communications device

When a Distinguished Budget Presentation Award is granted to a government, a Certificate of Recognition is also presented to the individual or department designated as being primarily responsible for having achieved this award. I am very pleased to announce that Freeport's Finance Director, Jessica Maloy, has received this distinction each year she has worked for the Town of Freeport, since 2015. The Town has also received the recognition every year since 2013. Mr. Joseph recognized Ms. Maloy for doing a fantastic job.

**Streetlight Update**

As part of last year's LED streetlight conversion project, the Town of Freeport has taken over the responsibility for street lights that are located on public roads, while private roads remain the maintenance responsibility of Central Maine Power (CMP), and are paid by the private property owner. To report any issues with street lights that are located on Town roads, please contact the Freeport Public Works Department at 865-4461. Any issues with lights located on private roads should be reported directly to CMP Customer Service. When reporting any issues to CMP, please identify the light as being located on a private way, so that it is clear that it is the responsibility of CMP to perform maintenance.

Councilor Reighley asked if the Council can compliment Public Works on snow removal and asked if we have a new Police Officer? Mr. Joseph advised that we have someone in the works that was sworn in this morning but has not yet started work here. We have two Police Officers in the queue to come in and be introduced at the request of the Council that have been hired over the past couple of months. The Police Chief is aware of this and when they are both working on a Tuesday, they will come in. Officer Savidge was sworn in today and he will be introduced when his schedule lines up with the Council. For snow removal, Mr. Joseph would always compliment the job that Public Works does on snow removal. Over the past few weeks when we don't have storms, they are doing snow removal in the downtown area in the daytime to try to reduce overnight hours.

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

There were no public comments provided. The Council moved on.

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

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ITEM # 07-20                      To consider action relative to adopting the January 21, 2020 Consent Agenda.

**BE IT ORDERED:** That January 21, 2020 Consent Agenda be adopted. (Egan & Horne)

Chair Egan reviewed the items on the Consent Agenda for members of the public.

**VOTE:** (6 Ayes) (1 Excused-Lawrence) (0 Nays)

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ITEM # 08-20 To consider action relative to Victualer License Ordinance compliance for Doherty's North Freeport General Store, 130 Wardtown Road. PUBLIC HEARING.

**MOVED AND SECONDED:** To open the Public Hearing. (Horne & Reighley)  
**VOTE:** (6 Ayes) (1 Excused-Lawrence) (0 Nays)

There were no public comments provided.

**MOVED AND SECONDED:** To close the Public Hearing. (Horne & Reighley)  
**VOTE:** (6 Ayes) (1 Excused-Lawrence) (0 Nays)

Mr. Joseph explained that the Town Clerk has provided a memo describing what this awkward public hearing and motion are about. It is a determination by the Council that someone is required to have a Victualer's License which our Ordinance states has to be made by the Town Council and provides an opportunity for someone to come and argue that they do not need to get the license. In this instance the business owner was provided a certified notice and we got the receipt back that they received it. He knows the Clerk's office has had direct conversations and has also reached out in writing. Chair Egan pointed out that the Council's decision point is whether or not this business is required to obtain a Victualer's License.

Councilor Tracy mentioned that this is revolving around the ability or inability to pay outstanding real estate and personal taxes. She is aware that this business often comes before us for that reason. To date the business has always paid before it got to a public hearing. She asked if there has been any discussion about payment plans or something like that. Mr. Joseph replied that there has not but it is on the table. She asked if there has been any discussion by Staff about that. Mr. Joseph replied that yes, five times and we do that every year but they have to come in and sign an agreement to do that. Councilor Tracy wanted to understand what communications have been made to the business owner.

Chair Egan pointed out that before the Council can take any action related to this particular matter of taxes or any other consideration under the license that any business would operate, we have to determine first that the business is required to obtain such a license. Mr. Joseph explained that the Council, not just Staff making a random call, should determine that the owner should be required to obtain a Victualer's License. That is the purpose of the hearing and to allow someone to make an argument that they are not required to. For the record, a Victualer's License is for the sale of prepared foods and there has not been any question raised by the business owner that they do not sell prepared foods. Items such as sandwiches have been regularly offered over the years there and currently are.

Councilor Reighley noted we have this pattern every year with this particular location and asked if the business is further behind in time line. Mr. Joseph advised that they are behind on the current year's taxes. Chair Egan clarified that the action this evening is for the Council to determine that the business is required or not to carry a Victualer's License for the activity that goes on at the business. If it is so determined, one of the components of obtaining that license is to be current on a number of things including property taxes. That is the limit of what we are talking about this evening.

Councilor Tracy asked what the next step would be. Mr. Joseph advised that if this is not cleared up, an enforcement action would be pursued in court because the Ordinance is being violated. Eventually, if you do not follow the Ordinance, the Town has to decide at what point is the correct time to pursue an enforcement action. That would be the next escalation if we can't get this resolved.

**BE IT ORDERED:** Doherty’s North Freeport General Store, 130 Wardtown Road is required to obtain a Victualer License pursuant to Section 8 of Freeport’s Victualer License Ordinance (Chapter 30). (Horne & Reighley) **VOTE:** (6 Ayes) (1 Excused-Lawrence) (0 Nays)

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ITEM # 09-20

To consider action relative to setting a public hearing to discuss proposed amendments to Chapter 21: Zoning Ordinance of the Town of Freeport regarding definition of “Mixed Use Development” and adding it as a permitted use in the Commercial I Zoning District.

**BE IT ORDERED:** That a Public Hearing be scheduled for February 4, 2020 at 6:30 pm in the Freeport Town Hall Council Chambers to discuss proposed amendments to Chapter 21: Zoning Ordinance of the Town of Freeport as follows:

1. Section 104-Definitions to amend existing definition of “Mixed Use Development” and Section 409-Commercial I District “C-I” to add Mixed Use Development as a permitted use subject to site plan (Hal & Mark LLC, applicant).

**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 and the Town’s website. (Tracy & Reighley)

Interim Town Planner, Caroline Pelletier explained that this was an applicant-driven agenda item. The applicant on Route One South has a commercial unit and wanted to add a residential unit. They learned that the current interpretation by the Codes Officer is that they couldn’t have a commercial and a residential unit in the same building. They made application to the Planning Board and they looked at it and thought going with the definition of Mixed Use Development as a permitted use in the Commercial I Zoning District (basically from Maggie’s to Yarmouth, the Route One corridor) made sense and add the use as a permitted use, subject to Site Plan Review in the Commercial I District. The proposed amendments to the Zoning Ordinance include amending the definition of “Mixed Use Development” to reduce the requirement for three residential units down to one, along with a commercial use, all in one building. One thing to consider is that by changing the general definition on the front of the Zoning Ordinance, anywhere else that mixed use is permitted, we would have to change it there. The use is currently only permitted in the Village Mixed Use I and Village Mixed Use 2, both of which are smaller zoning districts located in the area of Bow and South Streets.

Councilor Reighley asked Ms. Pelletier if she could provide a bigger map so the Council could see what streets are involved. Ms. Pelletier agreed to provide one in two weeks. Councilor Tracy requested that Ms. Pelletier give the Council a map showing what other districts allow mixed use in Freeport in a large size and in color.

**VOTE:** (6 Ayes) (1 Excused-Lawrence) (0 Nays)

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ITEM # 10-20

To consider action relative to setting a public hearing to discuss proposed amendments to Chapter 21: Zoning Ordinance of the Town of Freeport regarding food trucks as a permitted use in the Commercial I Zoning District.

**BE IT ORDERED:** That a Public Hearing be scheduled for February 4, 2020 at 6:30 pm in the Freeport Town Hall Council Chambers to discuss proposed amendments to Chapter 21: Zoning Ordinance of the Town of Freeport as follows:

1. Section 409-Commercial I District "C-I" to allow food trucks as an accessory use to any use subject to site plan review (Maine Wicked Goods Mercantile, Nick and Amanda Kent, applicants).

**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 and the Town's website. (Piltch & Reighley)

Interim Town Planner, Caroline Pelletier explained that this was another applicant-driven request. Three or four months ago the Council asked the Planning Board to look at food trucks but this is a separate issue. The property owner on U.S. Route One South has an existing business and had a food truck. It came to the Town's attention and they discovered that they actually cannot have a food truck down there. Currently you can have a food truck in two ways. You can have an artisan food and beverage use which would be a small producer of specialty foods such as a brewer or you can have them at a special event which is a large event you get a permit for and have greater than 250 people at that event. L.L. Bean concerts would be an example. The applicant came to amend the Zoning Ordinance and keep the same food truck rules in place; however, they want to allow them for any business subject to site plan review down the U.S. Route One South area. The Planning Board heard from businesses that want them because they support their businesses and then opposite comments that it would be taking away business from businesses that are here year-round and pay taxes. The Planning Board did support it and recommended the change in front of the Council today proposing to add it down the U.S. Route One South area subject to site plan review.

**VOTE:** (6 Ayes) (1 Excused-Lawrence) (0 Nays)

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ITEM # 11-20

To consider action relative to scheduling a public hearing for February 04, 2020 at 6:30 in the Town Council Chambers to consider the annual renewal of a Special Amusement Permit.

**BE IT ORDERED:** That a public hearing be scheduled for February 04, 2020 at 6:30 p.m. to discuss the annual renewal of a Special Amusement Permit for The Hilton Garden Inn.

**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. (Whitney & Reighley)

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Chair Egan noted that the Council has an explanation of this with the permit application in its packet. This is to set the public hearing and it will be discussed in two weeks. Mr. Joseph mentioned that it is a fairly routine Special Amusement Permit application.

**VOTE:** (6 Ayes) (1 Excused-Lawrence) (0 Nays)

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**OTHER BUSINESS:**

1. Recycling operations update

Town Engineer, Adam Bliss explained that he provided a memorandum outlining two reasons why he is here tonight. Item No. 1 is an update on the recycling contamination problem we discussed over many months in 2019 where we ultimately decided to remove two of the four recycling containers. The Council requested a six-month update after the removal of those two containers.

Item No. 2 is to receive direction from Council this evening on whether Town Staff should continue to explore a curbside collection program for solid waste and recyclable material. He introduced Suzanne Duplissis, our Solid Waste Facility Manager who understands the intricacies of operations and recycling.

He explained that in his memorandum he used a bullet point format highlighting the salient points he felt were important for discussion and that format gives opportunity to Councilors to quickly read through them and identify any for follow-up questions. He suggested that Councilors ask questions.

Councilor Tracy mentioned that it appears we are saving money by the decision to remove two of the four recycling containers. Mr. Bliss noted that it is true and accurate. He explained that contamination rates are going down which is a positive thing. Municipal solid waste has decreased which is a good thing because there was fear that people would discontinue recycling and throw it into the trash instead.

Councilor Reighley asked how many times are we overflowing on the silver bullets. Mr. Bliss explained that we do receive complaints that they are always full and overflowing but we have anecdotal evidence that shows that people are dumping on the ground and the containers are not always full. We cannot control people to break down their boxes. A large box not broken down does fill up a container so it is not always a true statement that they are always full. Councilor Reighley asked if we can have a monitor again this summer. Mr. Bliss feels it was beneficial to have that monitoring in place and he will be attending a Lessons Learned Workshop at Ecomaine to review information they gleaned from their program in surrounding towns.

Councilor Tracy mentioned that she noticed the contamination rate at the Transfer Station actually went up. Suzanne explained that the volume is coming in so fast that on Saturdays they often have two people stationed at the opening but cannot keep up with the volume of material coming in.

Councilor Horne asked why we have July data for post removal. Mr. Bliss explained that the containers were actually removed August 1<sup>st</sup> to provide a bit of a buffer which gives us five months of data. Mr. Joseph clarified that one would be pre-removal 2018 and the other would be pre-removal 2019. Councilor Horne asked what is our recycling rate now in Freeport. Mr. Bliss advised that the Sustainability Committee provided some numbers from Ecomaine and it is pretty good. It is in the 30s. Mr. Bliss advised that the quiet months are January through March but there are seasonal fluctuations.

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Chair Egan mentioned that the second half of Mr. Bliss's memo is on curbside trash collection which is a whole other big issue. We have a couple of members from the Sustainability Committee who are also interested in providing some information as contained and related to their memo. He asked Mr. Bliss if the Council could pivot to that topic now. Mr. Bliss agreed to pivot.

Mr. Bliss advised that he and Mr. Joseph had this discussion a number of months ago and looking at the feasibility of it all. They ran some analysis and it seems to be economically viable but it would be a big change. He and Mr. Joseph also met with members from the Sustainability Advisory Board to further that discussion and found there was an alignment there of potential interest. They asked for follow-up analysis to their satisfaction and felt it would be appropriate to introduce the subject tonight to see if the Council has the temperature to advance the analysis and give direction if there is interest to proceed.

Josh Olins explained that the Recycling Monitor we had during the summer was paid for by their committee's funds. If this is something the Town would like to see continue in the future, some other funds would need to be set aside for that. One piece that might still be interesting to hear about in that first piece is any subscriptions to local haulers. Pine Tree would be the most interesting because they recycle and it would be interesting to hear if they have had any changes in their contamination rates and how many people have shifted to that form of hauling. He pointed out that the Council received a memo from their Board. He mentioned that he wanted to make three quick points:

- 1) This is such a momentous and large issue that he feels it is important that we move slowly and deliberatively. The last thing we want to do is remove options for recycling without putting something simple and successful in place first. He interpreted that we are committed to removing the final two silver bullets in town but Councilor Tracy explained that the Council was moving in that direction but it would be revisited because there was a new Council composition and that was subject to another Council vote. Mr. Olins feels it behooves us to have something in place for that process to continue successfully.
- 2) He wants to ensure that we consider carefully options that incentivize increasing the amount of recycling in our town and discourage trash. Curbside itself doesn't necessarily incentivize more recycling but an option like a pay-as-you-throw paper bag kind of option really does incentivize to get things more in the recycling bin and remove it from the trash stream. They hope we are keeping this in mind as so many other towns and countries do that. It would be important to the company that is able to monitor (if we decide to choose a company to contract with) the recycling in each bin to ensure low enough contamination rates that what goes in those bins are really recyclables.
- 3) Finally, when looking at the bottom line, he really appreciates that we are starting to see that this really is a feasible thing on the bottom line and it feels as though some folks may be paying a little bit more but there are also a number of folks who will have their costs cut because some of the numbers we are looking at are less than some of the hauling rates some citizens are looking at. It is important to look across the whole spectrum and he knows the Council generally does that really well. There is an important point to be considered and that is our Town Charter. They have had some conversations with the Town Manager about whether or not the Charter would have to be changed if there were fees brought in associated with this. At this time, it was felt there was no need to examine changing the Town Charter. It is interesting to him that that could be done without re-examining the Town Charter. He thanked the Council for considering this.

Chair Egan asked if we have a sense of the participation rate of residents now using private haulers versus somebody that doesn't have anyone coming to their home right now but suddenly would. Mr. Bliss advised that they gathered data from two of the private haulers that have Town licenses and also data from the number of stickers sold to the Transfer Station users. There are approximately 1,600 users in Freeport that use a private hauler and about 1,000 of them pay about \$15 per month for just solid waste. 600 pay at least \$40 per month for solid waste and recyclables. The difference is another 1,600



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who use the Transfer Station or some other means. Mr. Bliss advised that commercial properties are responsible for their own disposal in their site plans. He does not know how many commercial properties are involved but Mr. Joseph noted that they could get that number.

Councilor Horne asked if we pay the solid waste disposal for commercial users too or is it just residential? Mr. Bliss advised that that is on his To Do List and he does not have an answer yet.

Rod Regier, Representative to Ecomaine, advised that commercial pays for their own commercial disposal. Chair Egan advised that the Town is already paying for the tonnage of the Municipal waste and the fee paid by the residents is just for the convenience of having a hauler come to their house. Mr. Bliss agreed and that the change would not result in an operating budget increase for disposal, only for hiring a contractor to collect it. Chair Egan asked if there is any discussion of capacity of the two private haulers to handle going to a municipally-funded curbside pick-up. Mr. Bliss mentioned he has to be a bit delicate because one hauler is a local business owner and some of us use his company. He does not know what his capacity is to take on additional haulers but would certainly welcome him to bid on the contract. The other hauler is a much larger enterprise and they service a lot of communities. It is his feeling they would be able to handle the additional users. Chair Egan asked if we were to go with this, we would probably end up with a contract with a single hauler to handle the town and not break it up into regions. Mr. Bliss advised that that would be his general understanding. Councilor Tracy noted that is not required if the Council decided they wanted to entertain different RFP scenarios, it could but she is not saying it would. Mr. Bliss advised that as long as they bring the waste to Ecomaine, the Council controls who collects.

Jim Ahearn mentioned he is a Freeport resident and has been volunteering with the committee but disclosed he is not on the committee. This is something he is interested in and wanted to help. He thanked Mr. Bliss for the research and evaluation he has done. He feels he has learned a lot in the last few months on this. He has been paying a local hauler and didn't realize that property taxes are paying for the tipping fees for disposal of the weight at Ecomaine and transport costs. He found it interesting to look at the Town Ordinance and how it was framed and the priorities of that. There are five points in there and cost is one of them but cost is listed as the fifth. There are a lot of other considerations that are called upon in that ordinance. He encouraged the Council to continue with this research and continue down this road and evaluate curbside.

Councilor Horne noted regarding if we do the Pay-as-you-throw option and to avoid a Charter change, you would apply the fee collection to the transfer only. Is that a discreet enough budget category to be able to apply a figure? Are they separate in the financial dealings of the Town? Mr. Joseph explained that we budget a separate line for disposal costs in the budget and the transport costs for the Town's Transfer Station are shown like Reynolds comes and picks up our containers and brings them down and back compacted. We have revenues shown in the Revenue Line including the punch cards that we sell to offset that specific item. Those are two distinct costs in the budget. We can see what has happened over the past 10-20 years.

Mr. Olins had a note from Valy Steverlynek, a member of the Sustainability Committee and read it into the public record regarding curbside pick-up.

Councilor Tracy asked for clarification on if someone goes to Shaw's and buys orange bags and pays \$4 for the privilege of having x number of bags to put their trash in, where does the money go? Mr. Bliss assumes there is some transfer of money back to the Town but this is a question that can be easily answered by talking to Portland or some other community that has that mechanism. Mr. Joseph advised that the store sells the bags. Sometimes they do it free of charge and other times there is a negotiated commission of a small amount they are paid as the location to buy the bags. That revenue is held

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separately and whatever the agreement is, the check would come back to the Town and it is shown as revenue. There is a clause in the Charter that says the Town shall create no new fee like a tax or a pay-for-bag fee that transfers the cost of RWS disposal fees to the taxpayers or something like that. It specifically prohibits anyone in the Town government from creating something that would transfer disposal fees to the taxpayers. For many years we have been transferring the hauling costs to taxpayers through pay per bag. That is why the disposal fees are in the budget separately.

Councilor Tracy noted that since we are already charging pay per bag at the Transfer Station, we are already doing pay per bag for transport. This would be expanding it on a mandatory basis town-wide if you want to have your trash dealt with. Mr. Joseph explained that we should not have any revenue offsetting the tipping fee to be consistent with the Charter.

Chair Egan advised that it is no small task to essentially go to roughly half of the Town participating in some sort of paid hauler to everybody participating in a mandatory hauler. Mr. Bliss feels this is an important point in terms of direction to have something implemented by July 1 or by January 1, 2021 or let the process play out in a year and a half and taking that time to figure out the logistics.

Councilor Horne feels there is a lot to learn about this. He asked if disposing and getting recycling is free. Mr. Bliss advised that it is now \$35 per ton and waste is at \$73. Councilor Horne believes there is a huge upside for the Town's financial picture if we can drive more residents to recycling. Mr. Bliss agreed this is correct. There is no doubt that monitoring and the pay-as-you-throw model are effective mechanisms at reducing contamination. He thanked Mr. Bliss for putting this together.

Councilor Piltch mentioned that Mr. Bliss talked about an average of six bags per month and asked if they were the big 30-gallon bags. Mr. Bliss replied that they are as big as you can get and explained that it figures out to 1 ½ bags per week per household. Councilor Piltch asked if we go to curbside pick-up, would we also mandate that they would have to accept recycling for free? Mr. Bliss feels we should but, unfortunately, we would probably eliminate one of the private haulers and in discussions, the hauler was not adverse to the Town going to curbside. Councilor Piltch mentioned that when he read through the Charter, he wondered why there is a line in it that is oddly specific and he would not want to base our future policy on a one line of the Charter that was written a long time ago that nobody participated in. It seems awkward. As we go through the process, he would encourage everyone to do the process right even if it takes an extra month or two rather than try to squeeze something in to fit the Charter we may or may not agree with. He feels the other way to reduce the costs is to have less waste and if there is anything we can do to reduce the amount of waste we do as a Town, he would be in favor of that. Charging a fee per bag that you dispose of is one way of doing that. A separate discussion on packaging is part of the larger puzzle.

Councilor Reighley asked about having the private hauler take care of the waste and consider the Town pick up the recycling curbside. Mr. Bliss mentioned that it gets into staffing. We would still have to have two staff people if we went to curbside. We would still have to run the landfill, accept bulky waste and we would really need a monitoring program on recycling. The logistics would have to be worked out but that is another option.

Councilor Tracy noted that 1,600 are having their trash picked up at their houses and about 1,600 households are going to the Transfer Station. She asked Mr. Bliss if he has any reason to believe that there are other missing households are not being accounted for. Mr. Bliss did not because the data comes from sales and it is not an exact science. Some households buy two stickers and some of them are for Pownal and Durham that have the option to use the Transfer Station. The other data on household units is based on census data. Councilor Tracy feels that part of the piece is what is the impact on the population.

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A wash for the Town does not feel like we are capturing the whole picture. We do have some people that have a punch card and have low trash rates and do not pay very much per month, and then all of a sudden they may get something in their property tax if we decide to go with this pay-per-bag and town-wide transport program, it could be much higher than that. She wants the Council to figure out what the impact also is on our people and their budgets. She is not necessarily opposed to this but feels the Council needs to figure out the kind of change and behavior this would require. She mentioned that regardless that you have to buy the bags but the cost of having someone pick up trash at the end of their driveway is recovered but it may theoretically change people's economics. Mr. Bliss agreed it is an important point but hypothetically what they pay in for punch cards would go to zero but their tax bill would go up a comparable amount. If we went to pay-as-you-throw, they may have to buy their trash bags and have that increase in tax bills. Mr. Joseph explained what he does once a month. What we have not included in this is the cost for the people to get to the Transfer Station. For the average user it is a substantial savings on a macro scale. Mr. Bliss explained that the median household valuation is \$312,000 and is exactly in the middle of every house's value and lower valuations would pay less for curbside.

Chair Egan pointed out that we don't have enough data to really be able to put a budget number on this since we are in the conceptual point at this stage. He asked the Council, it has had a lot of discussion and feedback on where we are with recycling and the second part of this which has been the predominance of this conversation, is whether or not to move in the direction of curbside. With an identified gap in data so far, the need to collect more information based on the conclusions and parameters that have been described to date this evening. He asked the Council if it is interested in directing staff to go further in this direction or not go further. That is the topline question asked of Mr. Bliss, Town Manager and certainly the Sustainability Committee.

Councilor Reighley mentioned that the Council does not yet have all the answers and he would prefer more looking into the item. Councilor Horne feels the Council should go further and as expediently as possible. He feels the numbers are encouraging. Councilor Piltch mentioned he would like to see more data on curbside recycling, curbside pickup, pay-as-you-throw with the usage costs going up and if people would use it more. People who are low users, live alone or do not generate a lot of trash would not have to share the burden in the extra costs. He feels there is no reason to delay but does not want to rush anything through to fit archaic things. Councilor Whitney advised that one of her concerns is for people that might find these bags expensive although she feels it would be a good plan. A little more time to be mindful of that because it really concerns her for some of our residents that might find them expensive. Councilor Piltch suggested that instead of everyone being compared to the median household, let's compare one person that is a low income, and lives alone that does not generate a lot of trash in a low valued home, then the median and then a big house with a lot of people, maybe a summer resident. We could pick three or four and say what would be the impact on each of these and it would give Councilors some touch points to relate to. Councilor Tracy advised that she is in favor of investigating this further. She feels the Council should have all options on the table for purposes of investigation and evaluation. She feels the Council will need to be clear that it will include a lot of public input on this. While we felt it acutely in the recycling discussion, she doesn't think it is anything compared to a discussion where a local hauler might be at risk for his business. She is sure it will bring people out of the woodwork so she thinks it needs a lot of public input. When Councilor Piltch mentioned that it is sort of an archaic Charter that we have, she recalled when she was going to Middle School, it was devised specifically to keep that local hauler in business. She does not believe it is anything to take lightly in this town but is not saying we wouldn't move forward with a different plan but we should be clear that we are not moving so fast that we wouldn't take a lot of community input into consideration.

Chair Egan asked for specific direction for Mr. Bliss in terms of our next handling of this topic. Councilor Reighley feels Councilor Piltch had some great points in looking at different community types and going

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from there. The other suggestion is to get more input on the number of houses and what are people doing that do not use anything and what takes place there. Chair Egan asked if it is fair to say that the Council would want to entertain ways to either mitigate any increases or possibly reduce our municipal waste budget item at Ecomaine and/or consider curbside recycling as an avenue to consider. Councilors agreed that they would like to at least hear about it. Mr. Joseph advised that from a time prospective, it is not reasonable to figure this for July 1, 2020. He feels 18 months would be fast to get a change done this way. The question of even to charge for bags that Councilor Whitney brought up, he does not believe we would need to charge for bags but it is a political decision that we don't need to make to investigate the numbers on a macro scale. Personally, he likes the idea of it but it is not his decision to make. It is up to the seven Councilors at the time when it comes up for discussion. If we are going to do pay-per-bag, we would need to change the charter and as Councilor Tracy mentioned, it was a referendum that was put forward. He urged the Council to tread cautiously. Mr. Bliss thanked the Council for their time.

Andrew Arsenault, Freeport resident, pointed out that he worked on the Charter change, both the pay-per bag and the single hauler issues. Those were Charter changes that were taken to the public and voted on and it was very contentious at the time. He pointed out that the last time we went through Pay-Per-Bag, we had a different engineer and were told that Ecomaine was stockpiling trash from out of state to supply so much tonnage and also to make sure they had enough fuel to provide for their contracts. He is not sure that is still correct or not.

Rod Regier was asked to share his understanding if Ecomaine needs our trash bags to produce power or whether it is something to take into consideration. Mr. Regier mentioned he has been Freeport's representative on Ecomaine's Board for some time. He advised that Ecomaine is an incinerator that burns trash and produces electricity. Because of changes in packaging and the region-wide reduction in waste because of a lot of reasons but the uptick in recycling. Ecomaine is a baseline plant that operates 365 days a year, 24 hours a day. In order to get the fuel for that, it contracts with towns in the region that are not members and it is opportunistic. There is an active competition for trash for the incinerators by other trash companies. Right now, Ecomaine is satisfied that it has the necessary fuel. It never pays to have a hauler bring trash in but there is a flexibility in what the tipping fee is charged to commercial haulers to make sure that Ecomaine gets the last increment to be able to continue to operate 24 hours a day. There has been a major focus for years to have long-term contracts with other towns around here and that has been pretty successful. Right now, the vast part of the trash disposed of at Ecomaine is at the \$71/\$72 tipping fee instead of the discounted price offered through the years.

Councilor Tracy asked Mr. Regier if he was around when the Charter was passed related to disposal costs. Mr. Regier advised that her recollection was correct. The main point was to make sure that there were opportunities for a variety of haulers to stay in business.

Chair Egan thanked Mr. Regier and Mr. Arsenault for their comments.

## 2. TIF 101 Presentation

Chair Egan explained that the following is a summary discussion on how Tax Increment Financing works in light of the high-level summary presentation the Council received at its last meeting. Tonight's discussion on TIFs is not related directly nor will it speak specifically about the proposal from L.L. Bean. This is a discussion about how Tax Increment Financing works in general so we can understand specifically when we do have elements in an application potentially from L.L. Bean and what we might be looking at and what we can compare it to and what we are allowed to do as a Council and not allowed to do. He thanked Mr. McBride for his presentation

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Keith McBride, FEDC Director provided a printed presentation to Councilors and displayed slides on a screen as well. His purpose is to give the Council background on TIFs and how they do work. There is general public confusion about TIFs. A TIF is not a tax break or corporate welfare. This is a municipal financing tool. It allows the Town to make a decision on priorities and say, this is something we want to make sure we have funds allocated for the next 20 years, 30 years and that is very unique. He instructed Councilors to feel free to ask questions.

Mr. McBride mentioned that he heard Councilor Tracy explain in another item that this Council can't bind future Councils, especially when it comes to budget decisions. When it comes to TIFs, the Council has reserved those funds and has set forth a project proposal called a TIF Program that cannot be changed except by the Council going to Department of Economic and Community Development (DECD) getting it approved again saying this money is what this money was set aside for. It will only be used for these purposes. That is a powerful tool and how we get that money set aside is through the designation of the TIF District. The district can be one parcel of property or it can be many parcels of properties. You probably shouldn't split parcels. You should probably keep them in individual parcels themselves. In some cases, they can be scattered. From his experience, the Department of Economic and Community Development (DECD) prefers them to be a bit contiguous but here in Freeport, most of ours are not. He went on and explained the pages he provided to the Council.

Councilor Tracy asked if the theatre in the Freeport Village Station is a credit enhancement agreement with payment over time for the development of that facility? Mr. McBride indicated that it is but it is a bit of an odd one, especially for Freeport. Freeport's policy requires a clear public benefit and the clear public benefit that was done in that one was there were public improvements to make the exterior of the theatre more of a public space with walking areas but the main force for that was the free movie day they offer once a year.

Mr. McBride feels we have a very limited but a really good history of using TIFs in Freeport to get important stuff accomplished. We have been very responsible with our TIFs here. We have done very well and got a lot of things done that were high priority in a very financially responsible way. He provided some examples. They were all good deals for the Town financially. They paid for themselves and then some.

Councilor Horne noted that in 2026 whatever money we have been distributing to Berenson will remain in the General Fund at that point and we will see a bump in revenue. Mr. McBride replied that it will be sooner than that because it was capped at \$17.5 M and he feels we will hit that cap sooner than 2026. Mr. Joseph suggested that we will have a decision to make because you are done with the financial obligations of that TIF and you could retire the TIF and have 100% of the value of the Freeport Village Station property go to the General Fund or you could keep the TIF going to pay for some of the other eligible expenses that are in that TIF. You could reduce the captured assessed value in some fashion. He and Mr. Joseph tossed around ideas such as reducing the amount that was previously going to Berenson to cover that payment. You would essentially take the value of the payment that went to them year to year and return it to the General Fund. The other amount of money that goes into that TIF is about \$300,000-ish would continue to go there for other TIF eligible uses. Taxpayers would see a benefit from not having that money that used to go to Berenson in the Credit Enhancement Agreement stay in the TIF. The other things we are accomplishing with that TIF would continue to get accomplished until at least 2026. There are options.

He pointed out that the Destination Freeport TIF actually is not downtown. The properties in that TIF are hotel properties on Lower Main Street and Route One South. That money goes to improvements in the downtown, economic development and most recently there was funding allocated to the Arts & Cultural

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Alliance to help with the redevelopment of the First Parish Church. He mentioned that the Credit Enhancement Agreement with the Nordica Theatre will expire this year.

He does not recommend, nor does our policy allow, residential properties to go into a traditional commercial TIF. He would also not recommend putting personal property value in a TIF. He feels it should be illegal. He explained the Park Street/Bow Street TIFs.

Councilor Tracy asked if FEDC has done a survey of language in other TIFs that other towns have done to see what they have used for catch-all language for projects that they don't know exist yet but purposes for which they may want to use the TIF money. Mr. McBride advised that it is guided by State Statute. Even the Arts and Cultural District language is in there. He would start with that point. He consulted with Counsel on this and was provided with a list of all of the approved projects in the last five years. Councilor Tracy asked Mr. McBride to provide the Council with the list of other projects that have been approved by DECD. She also requested a copy of the Statute. Mr. McBride explained that the site is 30-A and 5225. 5225 will go through eligible project costs. He read the language into the public record. Councilor Tracy requested that Mr. Joseph circulate 5225 to the Council. More discussion followed.

Councilor Horne thanked Mr. McBride for putting this information together. He is finding it extremely helpful. On the back end of these agreements there are compliance measures where people can be sure the TIF is being followed as written. Does the TIF participant have a reporting requirement or what do they have to do actively to show that they are complying? Mr. McBride advised that they do have to provide evidence that they are complying. He read the three requirements into the public record. Councilor Horne feels that if the participant is going to benefit as well as the Town, there should be a way for compliance to be monitored. Mr. McBride advised that it could be built into the Credit Enhancement Agreement.

Councilors thanked Mr. McBride for coming tonight.

Chair Egan pointed out that we set three public hearings for our next meeting and will have a fair amount of discussion on those public hearings. After having a 90-minute workshop on cannabis, he and Vice Chair Whitney will talk about the timing and have conversation about feedback from the Council on the commentary we received this evening and whether we want to continue that conversation, whether it is larger or smaller. He asked the Council to give this some thought for the next meeting. Councilor Reighley asked if we could invite someone from the State's Office on Marijuana Policy to come and talk to us. Chair Egan advised that it was a possibility toward understanding what the State's position on the issue and what they are doing.

Rod Regier noted he has been following this discussion for personal interest. He has been someone who has actually dealt with TIFs along the way. Mr. McBride gave a good comprehensive introduction to what you are dealing with and once it is at the Council's level, he suggested that your questions deal with two different levels. One is money and the other is priority. You must never lose track that we are dealing with projected property tax revenue from new construction over long term and in this case, 30 years. Normally, this would go in the General Fund for general municipal purposes, property tax relief, whatever. Whatever gets included in the TIF, it doesn't go into the general revenue for the duration of that term. Whatever goes into the TIF, typically there are a couple of different ways that it is used. It is used for capital infrastructure, stormwater control, Main Street improvements and utility extensions. There is also a piece for property tax reimbursement and at some point, the Council will be getting spread sheets showing these line items year by year. You will be deciding what you are comfortable with allocating away from potential general funds for future Councils and also what you are comfortable with actually applying to a general-purpose improvement and then what you are comfortable with property tax relief.

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The other thing is priorities and again, whatever other projects that go into TIFs, these go to the front of the line. These will be a priority before any Capital Improvement Plan that you or any other Council will deal with. He encouraged the Council to step back and think globally about what actually over a 30-year term are capital needs that would be applicable to the applicant and consistent with TIF law. It may be what the applicant provided is sufficient but he encouraged the Council to step back and think about other possible uses of the TIF might be.

Chair Egan asked Mr. Regier what he means by front of the line? Mr. Regier advised that once the TIF contract is signed, basically as long as all the terms are complied with, that capital structure is paid for from property taxes for the duration of the TIF. Future Councils will not have control over it. You are committing that the improvement in the TIF is such a high priority that it will be paid for first before any other Town expenditure for the duration of the TIF. It is a guaranteed payment and is something that has been used with good discretion through the years but don't underestimate the implication of what you are dealing with. This is a long-term commitment that future Councils will not have control over. It is your priority for what is the most desirable improvement.

Councilor Tracy noted that there are two types of possible uses. There are the uses that are specified like we are going to use this TIF money in a Credit Enhancement Agreement to pay back for drainage costs, road building, whatever. When Mr. Regier is talking about going to the front of the line, is he talking about those kinds of things because it seems like other money goes into a pot and later Councils decide how that is spent and it is discretionary by later Councils. She asked Mr. Regier if she is making the right distinction.

Mr. Regier advised that first of all, it depends on who is controlling the actual TIF money and whether it is the applicant or the Town. In the latter case, the Town does have discretion to use the pot of money and has some flexibility over its use. There were some earlier TIFs that had to do with bonding questions and if it showed up in the applicant's books and not the Town's books. In that case, it simply paid first. He mentioned that he wrote an e-mail and suggested the bridges we are dealing with would fall under this. There has been a huge public drive for years to get pedestrians and bikers across the bridges crossing the Cousins River and I-295. For safe passage for multi-users would be something in the long term very beneficial. Again, he urged the Council to step back and think of other possibilities that might be also in addition to whatever is on the table. These are long-term capital improvements that are going to the first of the line to be funded through this anticipated property tax.

Chair Egan wanted clarification for his own understanding of the idea of using revenue that is inside a TIF District. There are two components if there is a credit enhancement agreement, part of that revenue that is inside the TIF District can be negotiated specifically toward that credit enhancement agreement but also part of it resides in the TIF District revenue to the Town. Collectively, as a community, we have done a bunch of improvements using those TIF Fund capital expenditures without placing a burden on the mil rate of the community. He thinks that is the real power Keith explained earlier that we can accomplish specific capital improvement projects without it translating immediately to a burden on the mil rate. He feels it is important for him to keep clear in his mind, that the revenue stream Mr. Regier is talking about when he says the TIF Funds, he feels it is important to distinguish about whether it is part of the credit enhancement agreement that goes back to the applicant to pay for the specific improvements outlined in the credit enhancement agreement versus the other part of the revenue that comes to the Town inside the TIF District which future Councils do have the ability to designate and do specific projects years from now, which is what this Council recently decided to do. It is important to differentiate and Chair Egan is pushing back a bit where we are making a long-term commitment of an expenditure that goes to the head of the line and we potentially could be making a decision after discussion about allowing future Councils to have a funding reserve to do specific things that we are not designating now because we are creating

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revenue into a TIF Fund that could be available for future Councils to allocate to specific projects that they see.

Mr. Regier explained that he didn't feel he was disagreeing with Chair Egan. He is referring to specific projects but in fact the larger control is the TIF Funds are allocated in a District and the TIF is structured for flexibility and might be used for different purposes within that TIF District. The point is that a zero sum is pulled on to the side for the TIF Fund is not available for the General Revenue. Chair Egan advised that this is new money that is proposed as part of the applicant's package. Councilor Horne added that it is an enhanced value and Councilor Tracy explained that it is the taxable portion of the incremental value. Chair Egan is trying to be sensitive to the language that they will have a range of dollar discussions about the TIF, assuming that the applicant continues to come forward for this project, and that is taxable incremental value that we do not have today, so our discussion with that applicant is within that context of a proposed project that does not exist today that allows us flexibility to do things down the road. We are not locking in future Councils to a future plan because we are also going to have theoretically if we negotiate well, revenue into a TIF Fund that future Councils can decide what to do with later on.

Councilor Tracy does not disagree with anything Chair Egan just said but asked if it is true that we say go with L.L.Bean's proposal, regardless of what we decide it is still hypothetical, if we go with L.L. Bean's proposal to do waste water improvements, common space and trails maintenance, it seems to her that Mr. Regier is saying that we are prioritizing those particular projects. We are saying those projects are important enough to get funded immediately through some of the incremental taxable value and for those specific projects, we said, go to the head of the line whereas in a global discussion about what is important to the town, we may say it is great to have a public room for graduation but it would be so much more important to have bridges. She thinks that is what Mr. Regier is saying. He agreed and Chair Egan's point is that there are particular components of a TIF discussion and below that there are particular components of a credit enhancement agreement that have a list of projects separate from what the overall TIF District can actually do. Councilor Tracy agreed with that.

Councilors thanked Mr. Regier for his comments.

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**MOVED AND SECONDED:** To adjourn at 10:18 p.m. (Reighley & Tracy) **VOTE:** (6 Ayes) (1 Excused-Lawrence) (0 Nays)

Respectfully submitted,

Sharon Coffin, Council Secretary