

Town Council Special Meeting Minutes February 10, 2020

Chair Kuhn called the meeting to order at 7:03 pm.

Roll Call

Councilors De Lima, Johnson, Asherman, Kuhn, Trickett, and Hemphill were present and answering roll call.

Councilor Cahan was absent.

Item 1 Public hearing and order relative to a permanent food service establishment license for Ela Market & Grill.

Councilor Trickett motioned to approve the order; Councilor Asherman seconded.

Chair Kuhn opened the public hearing; there was no public comment.

Motion carried 6-0.

The Council asked when the establishment was scheduled to open. Nicholas Sotiropoulos, the owner, said hopefully in the next few weeks.

Item 2 Update on Solar Photovoltaic (PV) Landfill Project.

Kimberly Darling, Energy & Sustainability Coordinator, Adam Cote, Attorney at Drummond Woodsum, Pete McHugh, Finance Director, Jay Reynolds, Public Works Director, and Nathan Poore, Town Manager, delivered the presentation. Ms. Darling provided background information on the project. She reviewed the Town's RFP. She provided an overview of the nine proposals that the Town received. Mr. Cote said that the feasibility studies that the Town previously completed indicated that the landfill is a great location for a solar project but that there were legal limitations. He described the legal limitations. He said that Maine's regulatory landscape is now more favorable towards solar due to recent legislation and federal investment tax credits. He said that the changes in the regulatory landscape mean that the Falmouth landfill is more attractive for investment for developers and there is increased opportunity to take advantage of new energy billing. He said that the Town was smart to have conducted the feasibility studies several years ago because it now has the answers to questions that developers will ask. He said that the timing seems right from a regulatory standpoint. He could envision a situation in a few years in which some of the incentives are no longer in place. Mr. McHugh described the financial analysis of the proposals. He said that a power purchase agreement was the way to go. He said that the School Department decided to enter a consortium which limited the size of the system that the Town could have. He believed that Tangent had the best overall net benefit to the Town over the 20-year period at \$1,995,000. The average annual credits would be \$99,700 or 42% of the Town's annual average bill of \$235,600.

Councilor De Lima asked for clarification regarding the 70% of Town and Wastewater annual usage. Mr. McHugh said that the Town would get its power through CMP from an energy supplier. The Town will buy credits for its bills. CMP will take the credits and offset the Town's electric bill. 70% is the industry standard used to calculate the array size and to make sure that the entity is getting enough electricity every month. The amount of electricity fluctuates from month to month. Mr. McHugh said that the developer keeps some of the credits. Councilor De Lima asked for clarification regarding Mr. Cote's statements about the future of net energy incentives. Mr. Cote said that he could see the benefit credit going away in a few years but that the

Town would be locked in for 20 years. That is not a definite, but it has happened in other states. He said that 70% of the load is used because the Town does not know what its load will be in 15 years. Buildings could shut down or energy efficiencies could be invented. Mr. Poore added that the difference between the 70% and the 42% is the money that it takes to build and maintain the infrastructure; the profit margin that is built in for the developer.

Mr. McHugh described the Town's request to Tangent to provide a scenario where they would turn ownership of the renewable energy credits over to the Town. The PPA price was increased by \$0.09/kWh which increased the total purchase price of the net energy billing credits by \$238,000. Mr. Poore said the School Department was part of this effort early on, but the School Department decided to enter into a consortium agreement after some miscommunication. The Town decided not to enter the consortium because of the risks involved with selling renewable energy credits. He explained renewable energy credits and the types of entities that buy them. The staff project review team is recommending the Council authorize staff to develop a contract with Tangent without the option for the Town to sell renewable energy credits. If the Council provides authorization, the staff team will come back before the Council with all the legal documents necessary to execute the contract.

Councilor Trickett asked what the out of pocket cost to the Town would be to build the solar array. Mr. Poore said nothing. Councilor Trickett asked if the Town would still be paying CMP under this agreement. Mr. Poore said that through the power purchase agreement the Town would be paying Tangent a fixed rate per kilowatt hour. He said that the delta between that amount and what the Town pays CMP is where the savings would be over 20 years. Councilor Trickett asked for clarification that the Town is buying credits for the rate that the Town is paying Tangent. Mr. McHugh said the credits are what CMP pays the developer that the developer then sells to the Town at a discount. Councilor Trickett asked if the RECs were the incentive in place for developing a renewable energy project? Mr. McHugh said that the net energy billing credits are what CMP gives the developer for renewable energy. Councilor Trickett asked for clarification on the two different types of credits and which entity receives them. Mr. Cote said that the developer is the only one who can benefit from the state investment tax credit. The developer can receive tax credits at 26% for doing this which helps make the project affordable. The Town is the only entity who can take advantage of the net energy billing credits. The developer is giving the Town the net energy billing credits at an affordable price. The RECs are an arbitrary market created by policymakers. They make clean energy that is made in New England a better price. There is a market for them. He described the cons to the Town of trying to sell RECs. Councilor Trickett asked if the Town would continue to receive the same amount of credits regardless of what happens with utility rates going forward. Mr. Cote said that the Town is paying the same price. It is presumed that the value of the net energy billing credits will increase. The value is set to the cost of electricity. It is the delta in between what the Town is paying which is locked in and the value of the net energy credits which is where the Town would receive savings. Councilor Trickett asked for clarification that the Town does not go out of pocket at all other than the development costs and is projecting to save \$100,000 a year on its energy bill. Mr. Cote said that was correct. Chair Kuhn added that the Town would also be offsetting fossil fuels. Mr. Poore said that if the Town sold the RECs it could not claim that it was using renewable energy. He said that the first-year savings will be \$67,000 but the savings is projected to be \$150,000 by year twenty. The Council would not see all the savings in the operating cost because some of it will be reflected in a reduction in the wastewater user fees.

Councilor Asherman asked about the difference in Tangent retaining the RECs for different amounts of time. Mr. McHugh said that Tangent showed the Town the financial model that it presented to its investors. He said basically 5 years was the amount of time that Tangent used to calculate their rate of return. Mr. Poore said the higher fix rate for if Tangent gave the Town the RECs would result in \$200,000 less over the 20 years. Councilor Asherman did not feel that the Town should be in the speculation business.

Councilor Hemphill said ecomaine deals with renewable energy credits and it is a big preoccupation for them. He believes it is advantageous that the town does not have to deal with the RECs as it is a big and risky endeavor.

Councilor De Lima asked if the CMP rates stay flat or decrease over the next twenty years would the still get any benefit. Mr. Cote said that the Town's choice to not purchase 100% of the billing credits accounts for a possible decrease. He described how it is a good thing that there is not an escalator. The price that the Town was quoted from Tangent is going to be the set price. He said that the net energy billing credit is tied to the cost of electricity. If electricity costs decreased the Town would still be making savings just less savings. He said that Maine's electricity costs have increased 1.5% to 2% a year and it is likely that such an increase will continue. Councilor Asherman asked if the electricity cost included the delivery charge. Staff said the electricity cost included all of the charges.

Councilor Johnson asked if any thought had been put towards a visitors' center or information center at the landfill describing the project? Ms. Darling thought that was a great idea. Councilor Johnson asked if any surrounding towns had incorporated educational components. Mr. Cote said the Camden School district has been talking with a developer about including educational elements for their students. He said that if the Council is interested in having the staff team explore that in discussions with Tangent that is not an uncommon practice. Chair Kuhn said that she thought that would be interesting to explore.

Mr. Poore said that things look very good news but there is still a lot of work to be done. Ms. Darling described the timeline for the project. She said that Tangent did not give the Town a projected timeline. She said that the largest component will be the interconnection with the utility. Ms. Darling said that the Town is the only project on the queue for the substation. The Town is looking at starting construction this summer. No issues were flagged in the preliminary report. She said that in 2016 the Town did not have three phase power which allows the power to get to the grid but that now exists at the site. She said that arrays can be built quickly.

The Council supported having staff move forward with entering a contract with Tangent.

Item 3 Presentation and discussion on Falmouth Fire-EMS Department staffing study.

Travis Miller of Criterion and Associates delivered the presentation. Criterion and Associates conducted a Departmentwide satisfaction study. He reviewed the results of the survey. He described changes in volunteerism and changes in expectations in Fire-EMS services. He described the increase in call volume and decreased crew volume. He described how retention remains a challenge. He also described how EMS coverage by volunteers is on decline. He discussed where the fire stations should be located through comparing response times. He said that Central Station is an excellent location. If relying on volunteers to run out of Station 1 (Foreside), Central Station can get to call locations in the same amount of time. He described how staffing Central Station and Station 4 (Winn Road) would lead to decreased response times. He described the types of calls that Falmouth Fire-EMS should be able to handle including 1) several EMS calls, 2) an EMS call and a motor vehicle accident, and 3) fires or other labor intensive incidents. He also said that the Department should be able to be a good neighbor so mutual aid works in both directions. He described the recommended staffing plan for the Department. He recommended target staffing of 13 on shift in five years which would require 15 on shift: 1 BC, 2 Lt., 12 FF's (5 of whom are paramedics).

Councilor De Lima asked for clarification regarding the optimal Central Station number. Mr. Miller said the eight is 3 on an engine, 2 on an ambulance, 2 on another ambulance, and the shift commander. Getting to that eight take 9 or 10 to cover. He is also recommending another 3 on an engine and two on an ambulance

at Station 4. To get to 13 takes 15. Councilor Asherman asked for clarification that it was 13 per shift. Mr. Miller said yes. One shift a day but three shifts so 45 total people.

Chair Kuhn asked for the delta between the current number of staff and the recommended amount of staff. Mr. Miller said this would essentially be 45 net new positions. The staff positions that the Town has are staff positions that it needs and have been overstretching.

Councilor Trickett asked who prepared the call volume projections. Mr. Miller said that he and Chief Rice did it together. Councilor Trickett asked if Mr. Miller had insight into how to reduce the rate of growth of call volume. Mr. Miller said that some communities refuse to respond to automated alarms. He said that building safety was good but did nothing to impact EMS calls which are what is really driving call volume. Councilor Trickett asked to what extent Mr. Miller had projected whether the fire department needs to grow or whether it can be adapted to more efficiently match the need. Mr. Miller said that is why he was recommending staffing three ambulances and three engines and putting paramedics on both engines. He said that there has been a big push in larger cities to go 100% paramedic but that it is a waste of money because people are getting paid as paramedics who are not actually serving in the role. He said what he is recommending is an EMS service that can also handle fires.

Chair Kuhn asked if it would make sense to go further and meet the EMS needs within the community but regionalize the fire needs. Mr. Miller said that the capital need is not the problem. The problem is that it takes three shifts of 15 people. That is the cost. He described how Scottsdale, Arizona pushed sprinkler installation and building codes to the point that they were not really putting out fires but were doing heavy EMS. He said if staff are trained to be Firefighter/EMTs, two services are being provided from the same staff. He said that no one has found a solution to reducing EMS calls.

Councilor Trickett asked if Mr. Miller had a recommendation for what would be the most pressing staffing needs versus where there could be a phase in with continued use of volunteers. Mr. Miller said that the most successful national examples have been where volunteers are reserved for interesting things that do not happen that often. For example, using volunteers to staff heavy rescues and training them to do that. If these volunteers get called, it is very likely that they will respond. The volunteers are still able to respond to day-to-day calls.

Councilor Johnson asked for clarification regarding the call volume and population graph. He expressed concern about the statement that call volume had increased significantly as it seemed steady on the graph. Mr. Miller said that there had been a 700% increase in calls for service over 20 years. He said that the heavy fire and heavy rescue workload has dropped off but has been filled in by EMS and the EMS workload continues to grow. He felt that the EMS call volume would continue to increase because Falmouth is an aging community in an aging state.

Councilor De Lima asked if there was an opportunity to partner with neighboring towns considering there are already reciprocal arrangements. Mr. Miller said that you see regionalization in other areas of the country as well as efforts to explore how to provide a base level of service to make sure that the clock can be slowed down or stopped on the incident and how that can be done on a regional level. He said that it did not change his recommendation. Mr. Poore added that the need is immediate for the 3 and 2. He felt that the regional question is a good one and it deserves a lot of discussion. He saw regionalization for the next step or the five or ten years out. The immediate need is more like 13 people not the full 45. If the Town can address some of the immediate now it will buy more time to talk about the more daunting numbers. He described how the Town has been in regional EMS arrangements before. He did not know how busy or how slow things will be for those 13 or 14 people. He felt that once you get to that level you can absorb a lot of call volume. Mr. Miller added that some regional arrangements may be more successful than others due to factors such as response times, dispatch, and collective bargaining agreements. Chair Kuhn added that there are not that many prospective employees in the market. She wondered how easy it would be to find 13 people. Councilor De Lima agreed that there is a short-term fix that the Town has to address. She was thinking strategically about a regional effort but supports that the Town must take some immediate action sooner rather than later.

Mr. Poore added that taking the first immediate need step could be challenging but that the Department might be able to pull from within its ranks and recruit former members who left to come back.

Councilor Johnson asked if the calls that were done in Cumberland were included in the four-minute mark. Mr. Miller said yes that the Department could respond to calls in neighboring communities in a few minutes. Councilor Johnson asked if the response distances were from the Falmouth stations. Mr. Miller said yes. He said that the slide showed computer models of how quickly firefighters could drive to places in town. He said that it did not represent how long it would take surrounding communities to get to Falmouth. Chief Rice described Falmouth's automatic mutual aid agreements. The only station that comes to help that has staffing is Portland. Councilor Johnson asked if surrounding towns could respond more quickly to the locations in Falmouth that would take longer than eight minutes for the Falmouth stations to reach. Chief Rice said all the Towns run around and pick up trucks. He said that there are some places where a surrounding town could get there faster but not many. Chair Kuhn asked if the mutual aid agreements were matters of courtesy between the departments or if they were annual contracts. Chief Rice said they remain in place until someone wants to get out. They try to update them every few years. The coastal towns have a shared agreement together.

Councilor Johnson asked if Chief Rice was seeing people's reticence to volunteer increase. Chief Rice said that he thought people still wanted to give what they could give. He thought there was still a drive by the volunteers who showed up but that there are so many calls. He said it was especially hard at night. He said that the numbers have shrunk over the years. The department does a great job recruiting and people want to volunteer it is just how much people can do. He felt there are less people dropping what they are doing to go to calls. Mr. Miller said that these survey results are from the people who are volunteering. This survey does not speak to the growing number of people who are not able to volunteer.

Mr. Poore said that he saw the members' views on service as its not you its me. Mr. Miller pointed out that 30% of respondents don't live in Town. He said if you look at the group in the middle they are responding to as many calls as they did 30 years ago but there are not as many of those people.

Mr. Miller said that the full staffing study is not yet completed due to illness. Mr. Poore said that the study would be posted to the website when it was ready. Chair Kuhn said that a public comment opportunity would be held at the February 24 Council meeting.

Councilor Hemphill said that the presentation was very thorough and clear, and he appreciated Mr. Miller's hard work.

Item 4 Presentation and discussion on a proposed Communications Strategic Plan.

Erin Cadigan, Education and Outreach Coordinator delivered the presentation. She provided background information on the development of the plan. She reviewed the key principles guiding the plan. She discussed how governments are changing the ways in which they communicate with the public. She reviewed the Town's current communications tactics and tools. She reviewed current strengths and challenges. She outlined the goals and strategic priorities of the plan. She described efforts currently underway.

Councilor Asherman said that it was an excellent presentation and that the Town is off to a great start. Chair Kuhn added that she had seen the enhanced communications in two ways: 1) emphasis on two-way engagement with the public and 2) earlier engagement with the public.

Councilor Trickett said that anecdotal feedback that he has heard has been positive. He felt that Ms. Cadigan had done a good job incorporating constructive criticism. He liked the presentation's focus on making sure that processes that are being developed are being evaluated. He hoped that that Town will continue to do periodic check-ins and continue to test the communications strategies to make sure that they are worth spending time and money on. He asked what the current budget was for the Forecaster ads. Ms. Cadigan said

that the half pages ads are \$647 a week. Every 12th add is free. The Town does not always run half page ads if there is not enough information to share. She said that the Town has always done advertising. The weekly ad is consolidating all of the ads that used to be placed individually in one place, so it is not a brand new cost but it is an increased cost.

Chair Kuhn asked if the Town has enough staff to be able to implement all the action steps. Ms. Cadigan said it would not happen all at once and it is possible that more resources might be needed. She said everyone seems to be on board and staff are working across departments.

Councilor Johnson asked how the Town is measuring success towards the goals of the plan. Ms. Cadigan said that for the goal of increasing resident engagement in Town government, the Town can look at Facebook analytics, can measure web traffic and how many people are signing up for e-alerts, can track forum and event attendance numbers and volunteer applications. She said there were a lot of opportunities to gauge reach. She said that she would like to see more tracking of compliments and complaints. She said that improving communications might be harder to quantify but the Town could look at the feedback that it is receiving and how engaged people seem to be with attending events and communicating with Councilors and staff.

Councilor De Lima said that improving communications between the Town and its residents suggests that we have failed or have not done a good job in the past. She did not accept that. She felt that the Town has many forms of communication. She felt that what the Town is offering and is continuing to offer is different approaches and options for residents to choose from. She felt that the term improve communications suggests that something that was lacking. She asked that the bullet be refined to be more specific about what it is the Town is trying to work on. Ms. Cadigan suggested enhanced instead of improved.

Mr. Poore said that staff is recommending two opportunities for public comment on the proposed communications plan. Final action by the Council would be a resolution. Staff is suggesting a public comment opportunity one meeting prior to the resolution vote. The Council decided to hold the public comment opportunity on March 23. Mr. Poore thanked Erin for all her hard work.

Item 5 Introduction of amendments to Division II-19-1-2 and Division II-19-1-3, Sections 19-11, 19-13, 19-14, and 19-19, of the Code of Ordinances relative to kennels.

Councilor Trickett said that the impetus behind this was a doggy daycare in the VC1 zone wanted to expand its capacity beyond four animals. The expansion would not be allowed under the current ordinance because kennels are only allowed in the Farm and Forest district and kennels have been interpreted by the town to mean facilities that have overnight boarding with more than four animals. Doggy daycares have been allowed to operate all over town because the Town has treated them as retail establishments. The CDC took issue with the way that the ordinance is interpreted which is not consistent with the way the state interprets a similar state law. The Town treats the terms housed and boarded as synonyms while the State makes a distinction between facilities where dogs are kept and where dogs are kept overnight. The CDC looked at what other towns do and how the state regulates kennels. The CDC considered whether the Town should get in the business of regulating animal care facilities in a health and safety manner and decided that was not within the scope of the Town's responsibility. All of these doggy daycares are kennels under state law, and they have to be licensed. The CDC decided that future facilities should have to go before the BZA and request a conditional use permit to open. That will give the Town the opportunity to consider the appropriateness of a given location and allow nearby property owners to weigh in and address potential concerns related to nuisance and whether or not a kennel is a compatible use with the existing uses around which is it proposed. The CDC has recommended that kennels be a conditional use in most of the commercial districts which are listed in the proposed ordinance language.

The public hearing will be held on March 9.

Item 6 Order to go into Executive Session pursuant to the Laws of Maine to discuss and consider the acquisition of real estate rights, pursuant to 1 M.R.S.A. § 405 (6) (C).

Councilor Hemphill motioned to approve the order; Councilor Johnson seconded.

Motion carried 6-0.

The Council entered executive session at 10:06 pm.

Adjourn

The Council did not return from executive session.

Respectfully submitted,

Marguerite Fleming
Recording Secretary