

**TOWN OF ORONO
SPECIAL COUNCIL VIRTUAL MEETING
& FINANCE COMMITTEE MEETING**

**COUNCIL CHAMBER - MUNICIPAL BUILDING
MONDAY, JUNE 28, 2021 AT 5:00 P.M.**

WATCH ONLINE AT

<https://zoom.us/j/92310527595>

**For Dial in Only call 1-312-626-6799 Webinar ID: 923 1052 7595
(LINK AVAILABLE AT ORONO.ORG)**

MINUTES

1. Roll Call

Present: Council Chair Tom Perry, Meghan Gardner, Terry Greenier, Laura Mitchell, Geoffrey Wingard, Cheryl Robertson, Laurie Osher, and Town Manager Sophie Wilson.

2. Agenda Review - None

3. Public Hearings

- a. To consider Ordinance Amendments to Chapter 18 Land Use to create Section 18-154 Solar Energy Systems and amend Section 18-31, Definitions, and Section 18-106, Schedule of uses, to define, zone, and create performance standards for solar energy systems.**

Public hearing a. opened at 5:00 p.m. Town Planner Kyle Drexler stated the ordinance amendments have been through several committee meetings and the Planning Board public hearing and review to create zoning and performance standards for solar energy systems. Mr. Drexler stated the Planning Board recommended moving forward with the amendments with two minor recommendations related to regulating large scale solar installations on University property and the other seeking to simplify height requirements based upon type of solar system as opposed to whether it was an accessory or principal use.

No public comments were made. Councilor Robertson requested adding language that the Town will recycle the solar panels when there is failure from the business to remove the panels. Ms. Wilson stated the language does not need to be changed; the ability for the Town to recycle these items already exists.

Mr. Drexler noted the next step is for Council to consider adoption of the ordinance amendments at the July 12, 2021 meeting. Public hearing a. closed at 5:09 p.m.

4. New Business

Order 21-105 Order, approving the Fiscal Year 2021-2022 Municipal Budget.

Operating Expenses	\$8,634,915	
Capital Debt Service (P&I)	850,170	
Capital Expenses	<u>1,679,480</u>	
Total Municipal Expenses		\$11,164,565

General Revenues	\$2,613,325	
Revenue Sharing	2,451,400	
Use of Unassigned Fund Balance	382,500	
Revenue to Offset Capital Expenses	<u>280,000</u>	
Total Municipal Revenue		\$5,727,225

Total Amount to be Raised by Taxes for the Municipal Budget \$5,437,340

Moved by Meghan Gardner and seconded by Cheryl Robertson. All voted in favor, 7-0.

Mr. Perry noted Council spent time thoroughly reviewing the budget through five workshops in May, a public hearing on June 14th and a budget review workshop on June 21st.

Order 21-106 Order, approving a Fiscal Year 2021-2022 Economic Development budget totalling \$843,880 funded by the following Tax Increment Financing District Development Programs:

● Downtown & Transit Oriented	\$631,196
● Webster Point	32,000
● Penobscot Valley Dermatology	59,184
● Dirigo Pines Inn	119,000
● Orono Basin	2,500

Moved by Meghan Gardner and seconded by Laurie Osher. All voted in favor, 7-0.

Order 21-107 Order, approving the Water Pollution Control Facility budget for Fiscal Year 2021-2022 in the amount of \$1,741,590 for Operations and \$551,140 for Capital Improvements for a total of \$2,292,730.

Moved by Meghan Gardner and seconded by Cheryl Robertson. All voted in favor, 7-0.

Order 21-108 Order, approving the Five-Year Capital Investment Forecast 2021-2025 for the Town and Water Pollution Control Facility.

Moved by Meghan Gardner and seconded by Terry Greenier. All voted in favor, 7-0.

Order 21-109 Order, approving the Fiscal Year 2021-2022 Fee Schedule effective July 1, 2021.

Moved by Meghan Gardner and seconded by Cheryl Robertson. All voted in favor, 7-0.

5. Consent Agenda

Order 21-110 Order, changing the time of the July 12, 2021 Regular Council Meeting from 7:00pm to 5:00pm in Council Chambers.

Order 21-111 Order, confirming the Town Manager's 1-year appointment of Robert St. Louis as Alternate Code Enforcement Officer, Alternate Building Inspector and Alternate Local Plumbing Inspector.

Order 21-112 Order, authorizing the Town Manager to adjust the FY2022 Tax Increment Financing District expense budgets and use of restricted funds to reflect the changes in Credit Enhancement Agreement payments from Tax Increment Financing District Program Development Funds which were previously approved by Council as estimates, but will be determined by the commitment of FY2022 property taxes.

Order 21-113 Order, authorizing the Town Manager to pay the 2022 Penobscot County Tax Assessment in the amount of \$719,115.

Order 21-114 Order, authorizing the Town Manager to pay the FY2022 RSU#26 Tax Assessment currently estimated to be \$7,234,530.

Order 21-115 Order, adopting the Orono Village Center District Development Program and establishing the boundaries of the District:

Said District shall include real and personal property located on land shown on Orono tax maps as follows: Tax Map 019-004, Lots 061, 062, 063, 065, 066, 067; Map 027-002, Lots 014, 015, 016, 017, 018, 019, 020, 021, 022, 023, 024, 025, 047, 048, 050, 051, 052, 053, 054, 055, 056, 057, 058, 059, 060, 062, 063, 119, 120, 121, 122, 123, 124, 125, 126, 139, 140, 141, 142, 143, 144, 145, 146, 148, 149; Map 027-12, Lots 001, 002, 003, 004, 005, 006, 007, 008, 009, 010, 011, 012, 013, 014, 015, 016, 017, 018, 019, 020, 021, 022, 023, 024, 025, 026, 027, 028, 029, 030, 031, 032, 033, 034, 035 (maps on file in the Assessor's Office at the Municipal Building, 59 Main Street, Orono, ME 04473). The preceding map and lot numbers encompass an area generally described as follows: most properties abutting Route 2 from 87 Main Street to Murray's Campus Service, 5 properties on Forest Avenue, properties abutting Canal, Oak and Summer Streets, most properties abutting Mill Street from Route 2 to Byer Manufacturing, properties abutting the West side of Pleasant Street,

most properties abutting Pine Street from Route 2 to Birch Street, 6 Myrtle Street and Alpenglow Adventure Sports.

Order 21-116 Order, establishing the amount of the implementation assessments of the Village Center Tax District for the July 1, 2021 to June 30, 2022 Fiscal Year at \$0.00 (zero dollars and zero cents) per thousand dollars of valuation on all real and personal property located within the District as of April 1, 2021 and hereby committing said assessments to the Tax Collector of the Town of Orono for collection in accordance with the authority established under 30-A M.R.S.A., Section 5255(5).

Order 21-117 Order, establishing the due dates for FY22 Real Estate and Personal Property Taxes of September 23, 2021 and February 10, 2022, the rate of interest at 6% per annum, and for interest to begin accruing on said tax balances remaining as of September 24, 2021 and February 11, 2022.

Order 21-118 Order, that the Tax Collector be, and hereby is, authorized to accept money prior to the tax commitment in prepayment of taxes, to issue receipts for the same, and pay no interest on prepaid taxes.

Order 21-119 Order, setting the rate of interest to be paid by the Town for the overpayment of taxes at 2% per annum.

Order 21-120 Order, authorizing the Tax Collector/Treasurer, pursuant to Title 36, M.R.S.A., Sec. 906, to apply any tax payment received from an individual as payment for any property tax against outstanding or delinquent taxes due on said property in chronological order beginning with the oldest unpaid tax bill.

Order 21-121 Order, authorizing the Tax Collector/Treasurer, pursuant to Title 36, M.R.S.A., Sec. 906, to apply any payment received from an individual as payment for any sewer use fee against outstanding or delinquent fees due on said account in chronological order beginning with the oldest unpaid tax bill.

Order 21-122 Order, setting the rate of interest to be collected on delinquent sewer accounts at the same annual rate as established by the Town Council for delinquent taxes for the July 1, 2021 to June 30, 2022 Fiscal Year of the Town of Orono. Interest will be charged on unpaid balances after the due date.

Moved by Meghan Gardner and seconded by Cheryl Robertson to approve the consent agenda.
All voted in favor, 7-0.

6. Adjournment

Motion to adjourn by Meghan Gardner and seconded by Cheryl Robertson. All voted in favor, 7-0. The Council Meeting adjourned at 5:16 p.m.

The Finance-Operations Committee Minutes are separate from the Special Council Meeting.

Minutes are not verbatim. A video-recorded version is available on the Town's website at www.orono.org.

Respectfully submitted,

Nancy W. Ward
Executive Assistant

TOWN OF ORONO
COUNCIL FINANCE-OPERATIONS COMMITTEE MEETING
COUNCIL CHAMBER - MUNICIPAL BUILDING
MONDAY, JUNE 28, 2021 AT 5:00 P.M.
Immediately following the Special Council Meeting

MINUTES

1. Roll Call at 5:17 p.m.

Present: Council Chair Tom Perry, Meghan Gardner, Terry Greenier, Laura Mitchell, Geoffrey Wingard, Cheryl Robertson, Laurie Osher, and Town Manager Sophie Wilson.

2. Presentation from Penquis about Affordable Housing (Guest: Jason Bird, Penquis)
(Video record time 00:43 - 17:15)

The Housing Development Director at Penquis, Jason Bird, provided information about Penquis' efforts to address housing needs in the area, and how Penquis could develop a relationship with the Town of Orono to meet its housing goals. He spoke of Penquis' desire to meet the housing needs of families and older adults in Orono. He noted the zoning regulations (lot size requirements) make it difficult to create 30-40 housing unit developments. He stated he would like to talk with the Council about providing a density bonus to Penquis for affordable housing for the elderly. If Council is interested, he would like to follow up with a further discussion and offer ordinance language assistance.

3. Contracting to Purchase Solar Energy Credits (Guest: Daniel Dixon, UMaine Director of Sustainability and Town of Orono Environment Subcommittee) *(Video record time 17:16 - 53:14)*

Councilor Robertson stated that earlier this year, the Town was approached with an opportunity to enter into an agreement to purchase solar energy credits from a proposed large scale solar project planned in Old Town. Staff asked the Environment Subcommittee to review the request and gain a better understanding about how this type of power purchase agreement would work and the benefits/risks associated with this opportunity.

Dan Dixon, who serves on the Environment Subcommittee, explained how this contract would operate and answered questions about the general process of RECs (Renewable Energy Certificates). He spoke of different opportunities for a power purchase agreement. He noted two options: a 15% reduction in energy which is the standard and not guaranteed RECs, or 10% with guaranteed RECs.

Ms. Wilson noted that the Town of Orono is moving forward on its commitment to be greener and support climate action planning. She noted this is an opportunity to enter into an agreement with Old Town and a good starting point for a commitment to climate action change for the

region. She noted the Environment Committee is taking the lead and needs to know if they are on the right track.

Mr. Perry stated he was impressed with the work of the Environment Committee and agreed philosophically with doing the right thing with Renewable Energy Certificates (RECs) as Ms. Gardner had noted. Ms. Gardner commented on the options: to do nothing; make a deal financially, but not necessarily with RECs; or explore a better deal with RECs.

The Committee generally supported pursuing negotiations aimed at bringing back a contract for Council to consider to purchase solar energy credits. Ms. Osher supported energy efficiency and solar, but not necessarily RECs. Mr. Wingard supported a contract.

4. Introduction of New Assessor and Information Session about Revaluation *(Video record time 53:15 - 1:19:05)*

Community Development Director Mitch Stone introduced Marc Perry of Downeast Assessing & Real Estate Services who will be providing Assessing Services for the Town of Orono. Mr. Perry provided a brief overview of the revaluation project currently wrapping up. Mr. Perry noted he has been working closely with Vision Government Solutions as the company finalizes the townwide revaluation that it was contracted to complete for this year's commitment. Committee members discussed the revaluation process with Mr. Perry.

4. Discussion of New Fire Engine Purchase *(Video record time 1:19:06 - 2:00:51)*

Ms. Wilson stated staff has evaluated the need for a new fire engine. Fire Chief Geoff Low described the eight month process of evaluating the needs for a new engine. He described the primary and secondary engine for first response backup for calls for service.

Chief Low stated the current primary engine (first responder) was purchased in 2016 and the secondary engine was purchased in 1998. The general life cycle plan for the engines is approximately 20+ years. He noted the 1998 engine has had significant body and mechanical issues. In looking at the purchasing options, he stated staff is recommending the Town join the Houston-Galveston's procurement process. HGAC does nationwide competitive bidding that gets the lowest base price for the equipment and then allows the Town to make modifications as needed to this model.

Ms. Wilson reviewed financing options (both lease purchase and loan). Ultimately, Androscoggin Savings Bank offered the best proposal (financing \$675,000) with a tax-exempt lease purchase arrangement options: a 5-year term at 2.03% with an annual payment of \$143,336; a 7-year term at 2.44% with an annual payment of \$106,073; or, a 10-year term at 2.74% with an annual payment of \$78,091. The engine would need to be ordered and built which takes several months to complete. The first payment would be due one year after closing the agreement FY23). Ms. Wilson recommended the 10-year lease agreement.

The Committee discussed the three lease purchase financing options, the annual payment amount, and the options for the years of repayment. The Committee discussed that State Revenue Sharing may be larger than anticipated which may be reserved for future purchases.

The Committee decided to wait to make a decision on the Androscoggin Savings Bank lease purchase terms until the July 12th Council Meeting when they will know more about State Revenue Sharing.

5. Review of Regional Climate Action Planning Process Memorandum of Understanding with City of Bangor *(Video record time 2:00:53 - 2:06:40)*

Town Manager Wilson stated staff has begun conversations with the City of Bangor, Bangor Area Comprehensive Transportation System (BACTS), Husson University, and the University of Maine about working together on regional climate action planning and work to include other communities. She noted the next step is for the Town and City to consider executing a memorandum of understanding that will serve as the framework for this effort.

The Committee agreed with the need for a regional climate action planning effort.

6. FY21 Budget Carry Forward Requests *(Video record time 2:06:43 - 2:23:25)*

Ms. Wilson reviewed the list of FY21 budget carry forward requests to capture and expend in the next fiscal year: funds from reserves, grants and other special funds that have been approved by Council; infrastructure funds to the infrastructure reserve; revaluation project, summer pool funds; the match for an Efficiency Maine grant; funds for Gould's Landing police patrol; and funds for an FY22 administrative intern.

The Committee agreed with the list of FY21 budget carry forward requests. Ms. Wilson will provide the amounts as part of the order on the July 12th Council Agenda.

Ms. Wilson explained the excess funds that will be lapsing to fund balance due to reduced expenditures and an increase in revenue sharing in FY21.

7. Brief Town Manager Report *(Video record time 2:23:27 - 2:29:30)*

Ms. Wilson gave a brief Town Manager's report on the following items:

- Reminder to Councilors to take the MS4 quiz.
- Freedom of Information Act (FOIA) request for information regarding the RSU26 candidate decision.
- Town Office summer hours: 7 a.m.-5:30 p.m., Monday through Thursday.
- Town Manager's vacation: July 16th through July 27th.

- Council break until July 12th, which will be an in-person meeting (Councilors Gardner, Osher, and Mitchell will be remote).
- The Municipal Pool will open on July 6th.

8. Adjourn

Motion to adjourn by Cheryl Robertson and seconded by Geoff Wingard. All voted in favor, 7-0. The Council Meeting adjourned at 8:34 p.m.

Minutes are not verbatim. A video-recorded version is available on the Town's website at www.orono.org.

Respectfully submitted,

Nancy W. Ward
Executive Assistant