

North Berwick Board of Selectmen Public Hearing Minutes June 23, 2020

**NORTH BERWICK BOARD OF SELECTMEN PUBLIC HEARING
MINUTES JUNE 23, 2020**

PUBLIC HEARING

Present: Chairman Cowan, Selectman Johnson, Jr., Selectman Johnson, Sr.,
Selectman Hall, Selectman Galemmo

Also Present: Dwayne Morin, Peter Derby, Annette Clough, Elisabeth Glidden, Todd
Dyer, Heather Lafrance, Raina Martinez, Jack Roberts, Jeremy (from his Iphone), Daniel Gilbert

Chairman Cowan opened the Public Hearing at 6:35 pm.

1. Pledge of Allegiance
2. Public Hearing

Chairman Cowan asked Dwayne Morin to preface the meeting and provide basic info in regard to our format so everyone knows how we will proceed.

Dwayne Morin stated that this was the Public Hearing for the Annual Town Meeting. It is a little bit unorthodox this year due to the pandemic. We are doing Town Meeting this year by secret ballot. In order for us to hold that secret ballot, we need to hold a Public Hearing that will explain the questions. He stated that we will go over each of the questions that will be posed to the voters in July. This hearing is basically just to get an explanation of what each of the questions are for. It is not a debate. If you are in favor, then you vote Yes and if you are not, you vote No at the July 14th election.

Chairman Cowan stated that she will read the Legal Notice. She stated that they have 2 parts to the Town Meeting. There are 2 Zoning Referendum questions and there are 11 Budget Referendum questions. After she reads each question, she will give everybody a chance to ask any questions regarding the question.

Town of North Berwick Public Hearing
Tuesday, June 23, 2020 6:35 P.M.
Zoom Meeting 840-2113-2918

Referendum Questions for Annual Town Meeting

The North Berwick Board of Selectmen will hold a Public Hearing on Tuesday, June 23, 2020 at 6:35 p.m. via Zoom (Meeting number 840-2113-2918) on the proposed Zoning Referendum Questions and Budget Referendum Questions for the 2020 Annual Town Meeting. The questions to be presented to voters are:

Zoning Referendum Questions:

Question #1: Shall an ordinance entitled, “Ordinance amending the North Berwick Zoning Ordinance to expand areas in and near the Industrial Zone where industrial uses will be permitted and to make conforming changes to the Zoning Map,” be enacted?

Map changes:

a. Enlarge the Industrial Zone to encompass all of Map 2 Lot 31-1 (n/f Hussey Seating Property), Map 2, Lot 30 (n/f Newhall property) and the proposed Linscott Road Intersection location (n/f Weaver Property).

b. Remove Map 19 lot 31 (n/f Ludington Property) from Industrial Zone and move the Residential I Zone line to encompass this lot.

c. Move Residential I Zone line to encompass all of Map 2 Lot 33 (n/f Versocki property).

Certified copies of the proposed ordinance are available at the Town Clerk’s office.

Dwayne stated that this request came to the Planning Board and Board of Selectmen by Hussey Seating. Hussey Seating is looking to expand on their property. When reviewing their property, they found that, back when they put the zoning lines in it didn’t encompass their entire property as Industrial. Looking back at the old Comprehensive Plan that was voted on by the citizens back in 1990, the zone line was supposed to encompass their entire property but for some reason it did not. They have come to the town to see if they can have their entire property encompassed in the Industrial Zone.

This proposed Ordinance fixes 2 other situations. One is the Ludington property, which was split by the Industrial line and a Residential line. It would move it totally up into the Residential Zone. The Versocki property was also split by 2 different zones so this will put it all into 1 Residential Zone which is the least restrictive of the zones.

There were no questions from the public.

Question #2: Shall an ordinance entitled, “An Ordinance Amending Table 4.3 of the Zoning Ordinance to further define ‘Rear setback when abutting a Residential Use,’ be enacted?”

Copies of the proposed zoning Ordinance amendments can be viewed in the Town Clerk’s Office during regular scheduled hours or on the Town’s website: townofnorthberwick.org.

Dwayne stated that this is something that they found in the Ordinance and they deemed that it was a mistake. The idea was that setbacks from residential properties should be increased when they are near Commercial or Industrial uses. Unfortunately, when our Zoning Ordinance was written, it also included it where residential properties that abut residential properties had to be expanded as well. This did not make much sense. The idea is to bring it back to what the original intent was which was that, when a commercial/industrial property abuts a residential

property, the setback increases according to the chart but if it is a residential to residential it remains the same setback that is in the dimensional standard requirement in our Ordinance.

There were no questions from the public.

Budget Referendum Questions:

Question #1: Shall the Town authorize the Collector to accept taxes in anticipation of tax commitment and to set a date for payment of taxes and determine a rate of interest on overdue taxes.

Due Date: October 2, 2020
Balance Due: May 7, 2021
Interest: 9.00%

Delinquent: October 3, 2020
Delinquent: May 8, 2021

BUDGET COMMITTEE RECOMMENDS: OUGHT TO PASS.

BOARD OF SELECTMEN RECOMMENDS: OUGHT TO PASS.

Dwayne stated that this question is like one that we would see on our regular Town Warrant. The first 10 questions are procedural questions that need to be separate from our budget. This is why they are laid out separately as questions. He stated that, in order for the Town to collect taxes, we need to set a due date, a balance due date and interest rate. The interest rate is proposed by the Maine Treasurer at 9%. It also allows the Tax Collector to accept tax payments and not have to send them back if somebody overpays their taxes. A lot of times, accounts that end up having a \$.01 balance on their property because typically tax payments are broken up. When they are split up one is usually \$.01 higher than the other. This will allow the Town to carry that penny on the account without having to spend \$.50 by writing a check and sending the \$.01 back.

Peter Derby stated that Dwayne's explanation cleared it up. He just wondered why we even have to vote on this. He now knows that it is a procedural thing. He asked if they had to do this every year. Dwayne said that they do have to do it every year. Unfortunately, when we collect taxes sometimes, we over collect. Most escrow accounts just send the same tax payment every time it is due and don't always look to see if there is a difference in those tax payments. Technically, when we receive an overpayment, we have to send it back. He said that 99% of the extra money that we get on taxes is usually about a penny. Dwayne stated that if someone does request to have the money back, we do send them the money back.

Question #2: Shall the Town vote to deposit the excess balance of the 2021 fiscal year Excise Tax and all unspent appropriated Excise Tax into the Equipment Fund.

BUDGET COMMITTEE RECOMMENDS: OUGHT TO PASS.

BOARD OF SELECTMEN RECOMMENDS: OUGHT TO PASS.

Dwayne stated that this is one of our funding mechanisms on how we fund our equipment accounts. Typically, we collect more excise tax than what we budget, and that extra money goes

into the Equipment Fund for the purchase of things like highway vehicles. For example, this year, it looks like we are going to deposit about \$50,000 to \$60,000 into the Equipment Fund. Last year, we put in \$100,000.

There were no questions from the public.

Question #3: Shall the Town authorize the Board of Selectmen to utilize Undesignated Fund Balance for the unforeseen purchase and/or repair of vehicles and equipment for the current fiscal year not to exceed \$40,000.00 during the fiscal year.

BUDGET COMMITTEE RECOMMENDS: OUGHT TO PASS.

BOARD OF SELECTMEN RECOMMENDS: OUGHT TO PASS.

Dwayne stated that they try to budget every year what they think we will need to operate the town. Unfortunately, sometimes there are unforeseen things that happen. Instead of holding a Special Town Meeting for those unforeseen things like equipment failures or vehicle failures, we have been having the Article for the townspeople to vote on. We have been doing it this way for about 15 years. It costs about \$1,800 to hold a Special Town Meeting. This Article allows the Board of Selectmen, to dip into the savings to replace a vehicle that fails or a piece of equipment that fails that we had not budgeted for. The number of \$40,000 is not a magic number. It is what it costs us to replace a police cruiser.

There were no questions from the public.

Question #4: Shall the Town vote to authorize the Selectmen to accept conditional and unconditional contributions of monetary gifts, property, and equipment on behalf of the Town.

BUDGET COMMITTEE RECOMMENDS: OUGHT TO PASS.

BOARD OF SELECTMEN RECOMMENDS: OUGHT TO PASS.

Dwayne stated that, in order for the Board to accept gifts that we would receive whether they be monetary gifts, property or equipment, the Town has to allow the Selectmen to accept them on behalf of the Town. One of the biggest gifts that we receive is for our Fuel Fund. Neighbors helping neighbors help pay for fuel during the course of the year. The Board of Selectmen accepts that money and it is dedicated for the purpose of helping people with fuel when they can't afford it. We also get equipment that is donated to us, primarily from the Fire Department. The Fire Department Association does fundraisers to purchase additional fire equipment that doesn't come out of the budget process. They buy the equipment and then donate it to the Town. The Rescue Department does something similar. Every once in a while, we do get other monetary gifts that don't have any conditions attached that are simply monetary gifts to the town or property to the town. This allows the Board of Selectmen to accept these and use them on behalf of the town.

There were no questions from the public.

Question #5: Shall the Town vote to certify that the public purpose of the Canal Street Affordable Housing Development District is being met and that the required housing affordability and other conditions of approval, including limitations on uses of tax increment revenues for approved development project costs, set forth in the Certificate of Approval issued by Maine State Housing Authority for the District and the related Affordable Housing Development Program are being maintained and approve the appropriation into and the expenditure from the Affordable Housing Development Program Fund of the amounts required by the Credit Enhancement Agreement dated as of December 2006 between the Town and North Berwick Affordable Housing Limited Partnership established by the Town pursuant to the Canal Street Affordable Housing Tax Increment Financing District and the Development Program.

Explanatory Note: The Town voted to designate the Canal Street Affordable Tax Increment Financing District and adopt the development program for the District at the Special Town Meeting held on November 28, 2006.

BUDGET COMMITTEE RECOMMENDS: OUGHT TO PASS.

BOARD OF SELECTMEN RECOMMENDS: OUGHT TO PASS.

Dwayne stated that this is actually a 2-part question. The first part of the question authorizes the Board of Selectmen to certify the public purpose of the Tax Increment Financing District that was approved back in 2006. It is basically a 1 sheet paper that we needed to send to the State and every year, we need to certify that purpose.

Dwayne stated that the second part has to do with the fact that we have to reimburse the Canal Street Afford Housing Development District half of the taxes that they pay. They pay us their taxes and we put half of it into a fund. We then reimburse it 30 days after they paid it. The whole idea was to assist the developers of the Canal Street Affordable Housing Project with their project. It is a 30-year TIF and he believes that we are currently in the 12th year.

There were no questions from the public.

Question #6: Shall the Town vote that all balances, both debits and credits in all departments of Town Government be lapsed except for the following account balances to be carried forward:

Winter Highway	Sidewalks	Parks and Recreation
Patch	Animal Control	HRA funds
Town Computer Account	Mill Field Festival	Capital Improvement Funds

BUDGET COMMITTEE RECOMMENDS: OUGHT TO PASS.

BOARD OF SELECTMEN RECOMMENDS: OUGHT TO PASS.

Dwayne stated that the Town operates on a zero-based budget. This means that we start July 1 with a whole new budget. We don't keep carrying things forward like in the olden days when towns would just keep rolling over the money. Every budget that we review, we start reviewing it like we are starting from scratch. When all of the departments develop their budgets, they determine what they will need for the year.

Dwayne stated that there are some funds that are not time specific, so they go from year to year. Primarily it is capital improvement project funds that span multiple years in order to complete the projects. That would be money that we would bring forward. Regarding our Mill Field Project, we raise money and bring it forward to help offset those costs. Regarding Animal Control, we raise funds in addition to tax funds when dogs are registered. That money keeps rolling forward to be used towards that. Regarding Winter Highway, we never know what kind of winter we are going to have. In some years, the number is \$0. In some years, like this year, that number is going to be about \$25,000 to bring forward. We do this because if we have a tough winter, the money will be there, and we won't have to dip into savings.

Peter Derby asked what an HRA fund was. Dwayne stated that a few years ago, they changed the way that they do the health insurance. An HRA is a Health Reimbursement Account. They have a low premium high deductible health plan, so the deductibles are about \$5,000 per year. This allows us to keep our premiums down. To offset those costs, they created an HRA account that allows the employees to draw against that HRA to help them with their deductibles. He stated that they budget the full amount, which on a yearly basis is about \$65,000. Last year, of that \$65,000, we spent \$8,000. If they had a regular insurance program, they would have paid the \$65,000 out and never seen it again because it would have been included in our premium. By reducing our premiums and teaching the employees how to best utilize their health insurance, the town is able to keep their health insurance costs reduced while still providing good health insurance coverage for our employees. They bring that money forward every year. Even though the full budget is \$65,000 per year, we just put in what we spent in the previous year. Dwayne said that, since they have started the HRA program, they have saved about \$250,000.

Question #7: Shall the Town vote to apply the following estimated amounts from Excise Taxes, Miscellaneous Fee Revenues, Revenue Sharing, BETE Reimbursement and Homestead Exemption Reimbursement to use toward the 2020/2021 Budget Appropriations, thereby decreasing the amount to be raised by taxation.

Excise Taxes	\$910,000.00
Miscellaneous Fee Revenues	\$400,000.00
State Revenue Sharing	\$174,000.00
State Road Bond	\$70,250.00
Homestead Exemption Reimbursement	\$233,000.00
BETE Reimbursement	<u>\$1,900,000.00</u>
Total	\$3,687,250.00

BUDGET COMMITTEE RECOMMENDS: OUGHT TO PASS.

BOARD OF SELECTMEN RECOMMENDS: OUGHT TO PASS.

Dwayne stated that, in order to keep our taxes down, they utilize all of the revenues that they can collect outside of the taxation. These are the major funds. He said that they try to budget all of these in a conservative manner. They started developing this budget back in December and finished right before the pandemic really hit. They know that there will be some changes in these revenues as we move forward throughout the year. For example, we were set to receive

about \$269,000 in State Revenue Sharing but we only budgeted \$174,000 because we didn't know what was going to happen at the State level. He stated that the State Road Bond money is money that we receive that is part of the gas tax money from the State. Regarding the Homestead Exemption, everybody gets \$25,000. The town is responsible for 30% of that amount and the State reimburses us for 70% of that money. The amount is \$233,000 that we receive from the State because the State exempts that out. The BETE Reimbursement is the business tax. We used to collect personal property tax on property and equipment for industrial and commercial uses. The State exempted that from taxation about 15 years ago. When they did that, by law, they need to reimburse the town for our losses at about 50%. For those that are considered high personal property towns, which we are one, we get a little bit higher. We get reimbursed about 69% from the State for loss revenues. This helps to offset any costs that we might have.

There were no questions from the public.

Question #8: Shall the Town vote to raise and appropriate the sum of \$180,000.00 from Undesignated Fund Balance to fund the following real estate transactions, which will be required for the Linscott Road/Route 9 Intersection Relocation Project, and authorize the Board of Selectmen to negotiate and complete these transactions?

- Purchase a .88-acre parcel of land located between Linscott Road and Route 9 (Map 19, Lot 7 – Weaver Property) (“Lot A”);
- Convey a 11,500 square foot portion of Lot A to the State of Maine, owner of the abutting property;
- Purchase a .32-acre parcel of land located on Route 9 (Map 22, Lot 58 – State of Maine Property) (“Lot B”);
- Purchase and install a modular home on Lot B; and
- Convey Lot B and the modular home to the current owner of Lot A.

BUDGET COMMITTEE RECOMMENDS: OUGHT TO PASS, \$180,000.00 FROM UNDESIGNATED FUND BALANCE.

BOARD OF SELECTMEN RECOMMENDS: OUGHT TO PASS, \$180,000.00 FROM UNDESIGNATED FUND BALANCE.

Dwayne stated that this is the project that they have been working on for about 7 years but have been working on it in earnest this past year. The Linscott Road intersection is a really dangerous intersection. Last year, we had the State of Maine come down to do a safety assessment. They recommended that relocate the intersection. We didn't know if any of the property owners would be interested in talking about that. We approached the Weavers and they said that they were interested in working with the town because they knew about the danger of that intersection. We had an appraisal of their property and it came in at \$180,000.00. One of the things that the Weavers had requested as consideration for us to obtain their property is that, because their daughter currently lives there would like to remain in North Berwick. Since the State is a partner in this project, we knew that they had another piece of property just down the road. Dwayne talked to the State of Maine to see if they would allow the town to put a new home on that property and then just swap their home for the home that we will get for the

Weaver property not to exceed the amount of \$180,000.00. The State did agree but they added a condition that they would like to obtain part of the lot that we receive from the Weavers. At some point they are looking to replace the bridge that goes over the railroad tracks and they will need an area for their setup and construction. All parties have agreed to the terms. Dwayne said that we had written a grant to the State to see if they would help us financially and about 2 weeks ago, they granted us \$215,000 towards the project. The State will pay half of the purchase of the property so the town's requirement will be \$90,000 not \$180,000.

There were no questions from the public.

Question #9: Shall the town authorize the Board of Selectmen to convey a portion of the newly acquired Weaver Property (Map 19 Lot 7 – “Lot A”) to the abutting property owner (Map 19 Lot 6-Healey Property), to remedy the shared boundary line between the parcels?

BUDGET COMMITTEE RECOMMENDS: OUGHT TO PASS.

BOARD OF SELECTMEN RECOMMENDS: OUGHT TO PASS.

Dwayne stated that while they were designing the new intersection for Linscott Road, they surveyed the Weaver property that the town was going to purchase. They found that the abutting property owner's driveway is actually on the Weaver property. In order to remedy that, this question will allow us to move the line to allow their entire paved driveway to be on their property. This question allows us to move the line 10 feet to have their driveway on their own property. It is not land that was necessary for the intersection relocation. They will be affected by the relocation because now the road will be within 55 feet from their house, but it will allow them to maintain a buffer between their property and the road.

There were no questions from the public.

Question #10: Shall the Town vote to accept Deerfield Estates Road as a Town Road?

BUDGET COMMITTEE RECOMMENDS: OUGHT TO PASS, EFFECTIVE JULY 1, 2020.

BOARD OF SELECTMEN RECOMMENDS: OUGHT TO PASS, EFFECTIVE JULY 1, 2020.

Dwayne stated that Deerfield Estates is a development off of Governor Goodwin Road. It started being developed about 22 or 23 years ago. They have finally finished the development and they are presenting the road to the town. The road has been constructed according to all of the plans and has been inspected properly. It is now time for the town to accept that road as a town road. The town will take over maintenance and responsibilities on that road should the town vote to do so.

Todd Dyer is a resident of Deerfield Estates. He stated that when this goes to vote on the 14th, is it just for the Board or for the public. He wants to know what the residents of Deerfield Estates need to do to make sure that this goes through. Dwayne said that it is actually a vote so every registered voter in town can vote on this Article. If we get one more Yay then we do Nay, then the town accepts the road. Dwayne encouraged Mr. Dyer to have all of his neighbors come out to vote “yes” on this question.

Question #11: Shall the Town raise and appropriate the sum of \$4,878,335.00 to be funded in part with the \$70,750.00 from the Equipment Fund, \$133,985.00 from Enterprise Fund, and \$216,400.00 from Undesignated Fund Balance for the Town of North Berwick FY2021 Fiscal Year Budget.

BUDGET COMMITTEE RECOMMENDS: OUGHT TO PASS, \$4,878,335.00 WITH \$70,750.00 FROM EQUIPMENT FUND, \$133,985.00 FROM ENTERPRISE FUND, AND \$216,400.00 FROM UNDESIGNATED FUND BALANCE.

BOARD OF SELECTMEN RECOMMENDS: OUGHT TO PASS, \$4,878,335.00 WITH \$70,750.00 FROM EQUIPMENT FUND, \$133,985.00 FROM ENTERPRISE FUND, AND \$216,400.00 FROM UNDESIGNATED FUND BALANCE

Dwayne stated that we would usually have about 44 Articles that would be voted on to adopt the town budget but because of the pandemic and not being able to hold a Town Meeting because the limits would only allow us to have 50 people in a room at any one time. We typically have more than that that attend the Town Meeting. The Board decided, just like many towns this year, to put the budget for the voters as an election on a ballot.

Dwayne stated that the \$4.8 million budget represents about a 5% increase over last year. However, with the grant that we are receiving from the State DOT it actually reduces that to about a 1% increase over last year's budget. He is happy to say that, when reviewing the numbers to see what the tax rate would be if the budget is passed, it will result in the majority of taxpayers seeing a decrease in their tax bill. We have been able to gain additional valuation from new housing throughout the town.

Dwayne stated that the \$4.8 million will run our community. They have worked hard to keep the budget in check and not have any major increases, especially now that we are in a pandemic and not knowing what is going to happen. They have tried to keep all of the expenditures down. He stated that not many towns will see a 1% increase in their budget going into next year.

Selectman Hall told Dwayne that there was someone by the name of Daniel Gilbert on the chat for the meeting. It read, "I apologize if I missed this section, however I am wondering if you can clarify the additional \$50,000 for fine tuning of the fire station and ambulance facility. If we allotted \$50,000 over the last several years, what have those monies been spent on?" Dwayne stated that the \$50,000 is something that they have built into the budget. We are looking into constructing a new fire and ambulance facility. Knowing that we are going to have to borrow money in order to build that facility, we started to put aside \$50,000 every year towards that so that when we actually start having a payment, we will be that much ahead of it. In the meantime, we have been utilizing that \$50,000 that we have been putting aside towards the design. We have hired an architectural firm, Port City Architects out of Portland. They have created a draft of a building to construct. It is currently in draft stage. We have not moved forward into putting all of the specifics together but that will be the next step. The next step will be putting together a bid package and sending them out to find out what the actual cost would be. The \$50,000 is just phased into a dedicated fund only for use for the fire and ambulance facility.

Chairman Cowan stated that this was the end of all of the Referendum Questions for Zoning and Budget.

Selectman Hall motioned to close the Public Hearing at 7:16 pm. Selectman Johnson, Sr. seconded the motion. VOTE: 5-0

Respectively Submitted,
Susan Niehoff, Stenographer

Original to Town Clerk

Chairman: Wendy Cowan

Selectman: Jonathan Hall

Selectman: Michael Johnson, Jr.

Selectman: Charles Galemmo

Selectman: Michael Johnson, Sr.