

Town of Scarborough Sustainability Committee

May 22, 2024 | 8:00 – 9:30 a.m. | Scarborough Town Hall and via Zoom

Meeting Minutes

Attendance – in person

Committee: Ron Allen, Anton Bodor, Patrice Kastenzholz, David Kirstein, Deb McDonough, Rick Meinking

Town Council: April Sither

Staff: Jami Fitch, Sustainability Manager

Attendance – Zoom

Committee: Lydia Jopp

To re-play the Sustainability Committee's 5/22/24 meeting, please use the following link:

<https://www.youtube.com/watch?v=6oefl8mZGcQ>

Call to Order

1. The meeting was called to order at 8:04 am.
2. The Committee voted to approve the minutes from the 3/27/24 meeting. David motioned to approve the minutes, Anton seconded. Rollcall vote was unanimous.
3. The Committee added electricity purchasing to the agenda under new business.

Public Comment

1. None.

Old Business

1. C-PACE
 - Jami shared that the Town Council approved the C-Pace Ordinance at their 5/15 meeting. Staff are now working on completing the agreement with Efficiency Maine to be the administrator of the program on behalf of the Town.
 - The Committee recommends working with SEDCO to notify the business community about the availability of the program.
 - April shared the lesson learned that new ordinances should not be brought to the Ordinance Committee in October due to likely turnover on Town Council committees.
2. Sustainability Fund
 - The Sustainability Fund did not make it into the FY25 budget. Projections for electrical fees collected in FY24 show that there will not be a surplus in electrical fee revenue, which was a proposed funding source for the fund.
 - The Sustainability Fund is on the Finance Committee's workplan.

Engineering & Technical Services

- April suggests reaching out to Jon Anderson to request to be on an upcoming Finance Committee agenda.
- **ACTIONS:**
 - **RICK will reach out to Councilor Anderson.**
 - **JAMI will provide the Sustainability Committee with the memo that was sent to the Finance Committee**
- The FY25 budget includes funding to complete a Climate Action Plan, which will be an expansion of the Comprehensive Energy and Sustainability Plan. The Committee will have a role in this process.

New Business

1. Electricity purchasing

- The Committee reviewed an analysis of the Town's 2023 electricity use, which was provided by an electricity broker. The analysis used 2023 as a case study compare electricity pricing: CMP's 2023 standard offer price, third-party electricity supply, and third-party Green-e (100% renewable) electricity supply. The analysis showed significant savings if the Town opts to go with a third-party supplier (\$104,000 savings with standard electrical supply or \$94,000 savings with Green-e certified electrical supply). The electricity would be purchased from First Point Power (FPP)
- The Committee had a lengthy discussion about the information in the provided chart.
- Lydia noted that purchasing through a third-party locks in the price for the term of the contract. Town will not need to deal with market fluctuations, which provides budget certainty.
- The Committee discussed purchasing standard electrical supply or Green-e certified electrical supply. The Committee ultimately recommended to purchase Green-e certified electricity.
- Lydia noted that there are marketing opportunities for the Town to promote its purchase of certified renewable electricity.
- *Deb motioned to recommend the Town purchase Green-e certified electricity to show support for renewable electricity generation. Patrice seconded. Rollcall vote was unanimous.*
- **ACTION: JAMI will follow up with Tom to provide him with the Committee's recommendation.**
- The Committee would like to work toward coordination of energy purchasing with Scarborough Public Schools.

Updates

1. Town Council Update

- Revaluation letters will be sent to residents soon.
- The Town Council approved the FY25 budget, which resulted in a 1.5% increase to the mill rate. The overall mill rate came down due to the revaluation and is now set at \$11.05. South Portland's mill rate is \$22, and Cape Elizabeth's is almost \$20.
- School budget vote is on June 11th.

2. Planning Board

- Planning Board approved the re-opening of Baylee Seafood in Pine Point.
- A hotel was approved near Scarborough Gallery.
- FedEx submitted a plan to redevelop Beech Ridge Speedway as a freight terminal.
- Rick shared that the Planning Board reviewed updated landscaping standards that focus on the use of native plants.

3. Conservation Commission

- Jami shared that the Conservation Commission is still working on Environmental Standards. SEDCO is hosting a developer forum to get feedback on.
 - Patrice asked if the Commission is familiar with LD649, which prohibits condo associations and other real estate subject to common ownership from requiring residents to have lawns.
4. Transportation Committee
- Staff is reviewing and commenting on the draft Town-wide transportation study.

Next Meeting: June 26, 2024

Meeting adjourned at 9:24 am.

Future Projects List:

- Coordination with Scarborough Public Schools
- Community solar / municipal solar array
- Municipal building energy audits
- Residential energy efficiency grants
- Electric school buses
- Recycling information for homeowners when houses change hands
- Composting
- Tree preservation ordinance

MEMO

To: Finance Committee
From: Sustainability Committee
Date: December 14, 2023
Re: Establishing a Sustainability Reserve Account

The Scarborough Sustainability Committee requests that the Town Council establish a reserve account to support sustainability initiatives. Over the past decade, the Sustainability Committee (formerly the Energy Committee) has identified opportunities aimed at improving energy efficiency in Scarborough. These efforts often require an up-front investment from the Town, and timelines do not always align with the municipal budget cycle. Establishing a dedicated account for such projects would help streamline the Committee's work and allow Scarborough to be more responsive to grants and other funding opportunities that arise throughout the year. The Committee understands that the Town Council will have to authorize expenditures out of the reserve account.

This memo highlights some of the Sustainability Committee's past projects, describes possible future activities, and outlines the Committee's proposed funding formula for establishing the sustainability reserve account.

Background

The Town Council [adopted](#) Scarborough's [Comprehensive Energy and Sustainability Plan](#) on 10/18/17. The Sustainability Committee developed the Plan, which outlines several actions aimed at guiding Scarborough "toward an energy management system that is financially and environmentally sustainable." Section A, Outcome III, Action III of the Plan calls for energy savings, at a rate determined by the Town Council, to be diverted into a reserve account for sustainability initiatives.

Over the past several years, the Sustainability Committee has recommended various initiatives that both reduce energy use and save the Town money. Two notable projects include the Town's transition to high-efficiency LED street lights and the installation of rooftop solar arrays on the Engine 5 fire station and the Community Services maintenance garage:

LED Streetlight Conversion

The streetlight conversion project, which was completed in 2020, included purchasing all of the Town's streetlights from Central Maine Power and upgrading them to more efficient fixtures. After

Town of Scarborough

an initial \$700,000 investment, the Town projected an annual savings of \$94,500, making the payback period for the project roughly 7.5 years.

Rooftop Solar Arrays

In 2014, the Town entered into a 30-year Power Purchase Agreement (PPA) with ReVision Energy to install solar arrays on two Town buildings. Through the PPA, the Town bore no upfront cost to install the arrays on the buildings because ReVision Energy retained ownership of the systems. The Town paid ReVision for the electricity generated by the solar arrays at a rate \$0.02 lower than CMP's standard offer. The Committee estimated that the Town saved nearly \$20,000 on electricity costs between 2014 and 2021.

The Town Council allocated \$72,000 in the FY22 budget to execute the buyout option within the PPA, based on the analysis and recommendation of the Sustainability Committee. By purchasing the solar arrays outright from ReVision, the Sustainability Committee estimated that the Town would expect \$168,000 in net savings over the remaining useful life of the arrays.

Future Initiatives

The Sustainability Committee wishes to develop other opportunities make Scarborough – municipal operations, private citizens, nonprofit organizations, and commercial businesses – more environmentally and financially sustainable by using energy more efficiently. The Committee has identified many projects and programs it could undertake with dedicated funding, including the following:

- Efficiency Grants
This grant program could mirror and be combined with Efficiency Maine incentives to help further offset the cost of home efficiency upgrades, such as converting homes to heat pumps, improving insulation, and upgrading appliances.
- Municipal Solar Projects
Given the rising cost of electricity and the real savings the Town is seeing from the two solar arrays on municipal buildings, the Committee would like to explore additional solar projects in town. These projects may include installing arrays on additional buildings or developing a large-scale municipal solar array to power multiple buildings.
- Improved Waste Management
Removing food waste and reusable items, such as clothing and shoes, from Scarborough's waste stream has multiple benefits, including reduced disposal costs and lower emissions. The Committee has identified the lack of adequate funding for education and local infrastructure as a barrier to reducing waste in Scarborough.

The Scarborough community was asked to give their "2 cents" on some potential sustainability programs and initiatives at the Town's inaugural Sustainable Scarborough Day. Based on this feedback, residents would like to see the Town install more solar arrays on municipal buildings and offer grants to residents for home efficiency upgrades. Other notable community feedback included establishing a swap-shop, setting up an electric tool lending program, and improving Scarborough's electric vehicle charging infrastructure.

Proposed Funding Formula

In June 2023, Sustainability Committee met with Councilor Cloutier and Norman Kildow, Finance Director, to discuss the process for creating a sustainability reserve account. The Committee also discussed funding options with Town staff. The following sources of potential revenue were identified:

- **Electrical Permit Fees**
There has been a revenue surplus from electrical permit fees for the past several years (see the table below). These fees are collected when electrical work is done at residential and commercial properties, including installation of heat pumps, electric vehicle chargers, and solar panels. The Committee proposes that, moving forward, 20% of this surplus be directed to the sustainability reserve account annually.

Electrical Permit Fees Collected (2017 – 2023)

	2023	2022	2021	2020	2019	2018	2017
Budget	\$95,000	\$70,000	\$70,000	\$60,000	\$60,000	\$57,000	\$57,000
Actual	\$135,923	\$92,561	\$100,383	\$84,584	\$70,736	\$70,639	\$52,800
Surplus	\$40,923	\$22,561	\$30,383	\$24,584	\$10,736	\$13,639	\$(4,120)
20% of Surplus	\$8,184.60	\$4,512.20	\$6,067.60	\$4,916.80	\$2,147.20	\$2,727.80	\$0

- **Electric Vehicle (EV) Charging In-Lieu Fees**
The Town’s EV charging ordinance allow developers to pay an in-lieu fee in stead of meeting EV charging requirements. Currently, collected fees can only be used on EV charging-related activities. The Committee wishes to propose updated ordinance language to allow the fees to go into the sustainability reserve account to allow more flexibility. (To date, developers have chosen to meet the EV charging requirements and have not paid in-lieu fees, but this may not always be the case.)

The Committee appreciates the investments the Town has made in sustainability, most notably creating a staff position to focus on these efforts. Dedicated funding would allow Scarborough to do even more to improve its financial and environmental sustainability.

Thank you for your consideration of this proposal. Members of the Sustainability Committee would be happy to attend a future Finance Committee meeting to discuss this request and answer questions.

Town of Scarborough – Electricity Supply Pricing Summary

Month	Historical Use (kWh)	Historical Use Including TriGen Generation (kWh)	CMP Price Jan - Dec 2023 (\$/kWh)	Supply Price 48-Month Term (\$/kWh)	Supply Price with 100% Green-e Adder (\$/kWh)	Savings Supply Price vs. CMP (\$)	Savings Green-e Price vs. CMP (\$)
Jan-23	160,943	160,937	\$0.31821	\$0.10697	\$0.11181	\$33,996	\$33,217
Feb-23	160,261	160,259	\$0.30874	\$0.10697	\$0.11181	\$32,335	\$31,560
Mar-23	163,852	163,854	\$0.19532	\$0.10697	\$0.11181	\$14,477	\$13,683
Apr-23	149,149	149,146	\$0.12890	\$0.10697	\$0.11181	\$3,271	\$2,549
May-23	138,515	149,901	\$0.10901	\$0.10697	\$0.11181	\$306	(\$420)
Jun-23	101,494	157,901	\$0.10688	\$0.10697	\$0.11181	(\$14)	(\$778)
Jul-23	143,425	194,774	\$0.11165	\$0.10697	\$0.11181	\$912	(\$31)
Aug-23	144,695	191,388	\$0.11090	\$0.10697	\$0.11181	\$752	(\$174)
Sep-23	176,985	176,985	\$0.08908	\$0.10697	\$0.11181	(\$3,166)	(\$4,023)
Oct-23	154,507	183,465	\$0.09149	\$0.10697	\$0.11181	(\$2,840)	(\$3,728)
Nov-23	120,954	176,088	\$0.13591	\$0.10697	\$0.11181	\$5,096	\$4,244
Dec-23	150,871	180,327	\$0.21260	\$0.10697	\$0.11181	\$19,048	\$18,175
Average/Total	1,765,651	2,045,025	\$0.15791	\$0.10697	\$0.11181	\$104,172	\$94,274

FPP Pricing - May 21, 2024					Notes: 1. Savings based on historical use including TriGen generation. 2. Pricing quotes are executable until 5 pm May 21, 2024. Prices are subject to change daily based on Market conditions. 3. Prices include: - Fuel Security - Inventoried Energy - Unlimited Bandwidth - Utility Billed - Credit Approved - Line Loss
Term (Months)	Period	Supply Price (\$/kWh)	Supply Price with 100% Green-e Adder (\$/kWh)	Green-e Price Difference (\$/kWh)	
28	Jul 2024 - Nov 2026	\$0.10399	\$0.10798	\$0.00399	
36	Jul 2024 - Jul 2027	\$0.10599	\$0.10998	\$0.00399	
48	Jul 2024 - Jul 2028	\$0.10697	\$0.11181	\$0.00484	
53	Jul 2024 - Dec 2028	\$0.10698	\$0.11246	\$0.00548	