

Businesses in Dover-Foxcroft

Last June the voters in Dover-Foxcroft voted “**NO**” to removing the Mayo Mill Dam. After that vote, the Town put together a larger, more inclusive group of citizens to consider what to do next with the Mayo Mill Dam. There are two Warrants for the Dam in the upcoming Town Referendum. The purpose of this letter is to give the Business Community some background about the impact of these Warrants on property taxes.

The Mayo Mill Dam Review Committee has been meeting since August 2024. It has determined the following:

1. It is not economically feasible to generate power at the Dam. The **net cost** to the Town, after receipts from power sales, would be approximately **\$70,000 per year**.

2. The initial cost estimates to repair the Dam are approximately **\$9,000,000** - not including expected finance costs, legal costs and other town related costs. Efforts to secure outside funding to keep the Mayo Mill Dam have not yet met with any success.

3. Any plan for the Dam, Powerhouse and Fishway will require approval by the **Federal Energy Regulatory Commission (FERC)**. Since we will not be generating hydropower, the next mandatory step for the Town is to file a formal **Surrender Application** with FERC. This Surrender Application must include a detailed design for all planned work on the dam and powerhouse. The recommendation to file a Surrender

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Application is a natural extension of the Dam Review Committee’s original mission.

4. FERC requires the Surrender Application must be done whether the Town repairs **OR** removes the Dam.

Based on other dam owners’ experiences, developing and filing the Surrender Application is a lengthy process – taking up to a year or more to prepare. This is also an expensive process. This year we estimate it will require approximately **\$250,000** to begin working on the Application. We don’t anticipate spending more than that in the next year, but the Town needs the authority to borrow more money if it becomes necessary.

Town Warrant Article 9 (see next page) will be on the June 10th referendum to cover Surrender Application costs. While the Town has not received a proposal from anyone to do this work, we have talked with others who have gone through the process and feel \$250,000 is a reasonable estimate to get the Surrender process started.



For more information, scan this QR Code to take you to the Town of Dover-Foxcroft Dam Review Committee web page.

Preparing and submitting the **Surrender Application** is only the beginning of the process. Once FERC approves the plan laid out in the application, the actual construction work must be done. **Town Warrant Article 10** (below) is also on the June 10th ballot for voters to approve to pay for that work.

Our Committee's best efforts to develop a plan to save the Dam at a low cost have yielded less success than we'd hoped. While final numbers have not been determined, two engineering studies and one contractor's cost estimate have provided costs in the \$8 to \$10 million range. Therefore we used the \$9 million cost as a starting point for planning purposes. Once the **Surrender Application** has been approved by FERC, if voters agree to fund the project then this construction work would be put out for bid.

The vote this year must provide a clear path forward. We must recognize that Dam removal is an option if the cost of retaining the Dam is **NOT** acceptable to the voters. We have received assurances from the Atlantic Salmon Federation and The Nature Conservancy that their commitment to remove the Dam at **NO COST** to the Town still holds.

The Dam Review Committee and the Select Board believe it is important to provide this information to the Business Community. We are prepared to get on with work to save this historic part of our community **OR**, if it is the voters' decision, to remove the Dam. We believe these financial decisions should rest in the hands of Dover-Foxcroft voters.

The two Town Warrants about the Dam were discussed at the Town Meeting on Saturday, April 26th and were approved to appear on the June 10th Town referendum ballot.

**We strongly urge voters to vote
at the June 10th Referendum!**

TOWN WARRANT ARTICLE 9

Shall the town authorize the Select Board to raise and appropriate \$250,000 and authorize the Select Board to borrow up to an additional \$250,000 (total not to exceed \$500,000) to begin consulting work on the mandated FERC exemption surrender process.

TOWN WARRANT ARTICLE 10

Shall the town authorize the Select Board to borrow up to \$9,000,000 for the retention and repair of the Mayo Mill Dam? The amount to be borrowed is based on project costs, but excluding financing costs and potential funding offsets. The projected annual cost to the town is \$664,000, which will result in an expected rise in property taxes (based on 2025 assessments) of approximately 9%, or 1.5 mil, for property owners for a period of 25 years.

*A **YES** vote authorizes the town to pursue said borrowing for retention and repair.*

*A **NO** vote authorizes the Dover-Foxcroft Select Board to remove the Mayo Mill Dam without using local taxpayer funding, including by entering into an agreement with outside parties for the removal of the Mayo Mill Dam and to develop a plan for a restored riverfront to be negotiated and approved by the Selectboard acting in the best interests of the town.*

FINANCIAL IMPACT TO THE TOWN TO BOND REPAIRS TO THE MAYO MILL DAM

TOTAL TOWN INDEBTEDNESS:

- Current Town Bonds outstanding and unpaid: \$3,300,669
- Bonds authorized and un-issued: \$0
- Bonds to be issued if Article #10 is approved by voters: \$9,000,000

COSTS:

At estimated maximum interest rate of 5% over Twenty-Five (25) years, the estimated costs of the Mayo Mill Dam bond issue (Article #10) will be:

- Principal: \$ 9,000,000
- Interest: \$ 5,107,600
- Total Debt Service: \$ 14,107,600

HOW MUCH MIGHT YOUR TAXES INCREASE IF ARTICLE #10 PASSES

Take your Property's Annual Tax Bill

THEN

Multiply it by 0.10 to see what the ANNUAL INCREASE may be

OR

Multiply by 1.10 to see what your TOTAL TAX BILL may look like

FIND OUT MORE ABOUT THE DAM Scan QR Codes to Get More Information

Mayo Mill Dam
FAQ's - Frequently
Asked Questions



Registering to Vote
in Dover-Foxcroft



Work of the Mayo Mill
Dam Review
Committee in 2025



Election Information
for June 10th, 2025
Town Referendum



Dam Public Meeting
on Feb 4th, 2025 at
Central Hall Commons



Request & Receive
an Absentee Ballot
from the Town

