

Mayor Marston D. Lovell
Councilor Marshall Archer
Councilor Roger Gay
Councilor William P. Doyle



Councilor Lynn H. Copeland
Councilor Alan R. Minthorn
Councilor Micah Smart
Councilor Nathan D. Johnston

**SACO CITY COUNCIL BUDGET WORKSHOP
MONDAY, APRIL 22, 2019 – 6:30 PM
CITY HALL AUDITORIUM**

- I. CALL TO ORDER**
- II. PLEDGE OF ALLEGIANCE**
- III. PUBLIC COMMENT**
- IV. AGENDA**
 - A. Saco Main Street Presentation
 - B. Dyer Library Presentation
 - C. Tricity Transit District Presentation
 - D. Fire Department Budget Presentation
 - E. Human Resources Budget Presentation
 - F. Finance Department Budget Presentation
 - G. Administration Department Budget Presentation
 - H. Public Works Crew Cab Lease P2
 - I. Capital Funding for Public Works Wash Bay P4
- V. ADMINISTRATION UPDATE**
- VI. COUNCIL DISCUSSION AND COMMENT**
- VII. ADJOURNMENT**

Hearing Assistance Devices are available at the back of the Auditorium.
If you are interested in addressing the Mayor and Council in the public comments session, please add your name to the roster at the back of the room.

MEETING ITEM COMMENTARY

AGENDA ITEM: Public Works Crew Cab Transport Vehicle Lease

COUNCIL RESOURCE: Councilor _____

STAFF RESOURCE: Patrick Fox, Director of Public Works

BACKGROUND: The crew cab transport vehicle blew a head gasket – repairs that would total nearly \$13,000. It does not make good financial sense to repair the vehicle for its three months of remaining useful life (as it is scheduled for replacement as part of the FY20 Capital Plan/Asset replacement).

EXHIBIT: Memo from Kevin Sutherland

RECOMMENDATION: City staff recommends approval of the lease.

SUGGESTED MOTION: *“Be it Ordered that the City Council authorize the City Administrator to enter into a lease purchase agreement for the lease purchase of a new crew cab vehicle”*

“I move to approve the Order”.

**Administration**

Saco City Hall
300 Main Street
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Kevin L. Sutherland
City Administrator

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MEMORANDUM

TO: Mayor Lovell and City Council
FROM: Kevin Sutherland, City Administrator
DATE: April 22, 2019
RE: **Public Works Crew Cab Lease**

Our Director of Public Works mentioned the challenge related to the crew cab transport vehicle during the budget workshop last week. Since then, he's provided me the attached memo. The vehicle blew a head gasket – repairs that would total nearly \$13,000. This does not make good financial sense to repair for its three months of remaining useful life (as it is scheduled for replacement as part of the FY20 Capital Plan/Asset replacement). In this case, Administration would normally look to the emergency purchase exception in the purchasing policy (E. Regulations Governing Purchases (page 11 and 12)) to justify an approval and include the attached memo for Council review to meet policy requirements but as this is a lease purchase, the lease purchase will require Council approval. Our next Council meeting is not until April 29th and the dealer is willing to hold onto the crew cab until that meeting to confirm approval, so I will ask that this item be discussed during of the other budget workshops (and count it toward our typical practice of workshopping an item before it goes to vote) or the Council waives an additional workshop on this item and we'll bring all the appropriate information to the floor on the 29th.

WORKSHOP AGENDA ITEM: I
April 22, 2019

MEETING ITEM COMMENTARY

AGENDA ITEM: Capital Funding for Public Works Wash Bay

COUNCIL RESOURCE: Councilor _____

STAFF RESOURCE: Patrick Fox, Director of Public Works

BACKGROUND: Public Works is requesting that a portion of the capital funds currently allocated for a shared wash bay facility be utilized to construct a suitable wash bay connected to the end of the new facility for the larger equipment in the City fleet.

The \$325,000 is currently earmarked in the Capital Plan for a shared wash bay facility. Utilizing \$215,000 of this for the PW Facility Project would be a more beneficial use than the options available at the time of initial funding. As this is a project level discussion (not a movement from one department to another), it does not require a budget amendment, because the intent of the resources has changed some (shifting from a shared approach to strictly part of the PW facility) .

EXHIBIT: Memo from Kevin Sutherland

RECOMMENDATION: City staff recommends approving the use of Capital Funds to build a wash bay at the new Public Works facility.

SUGGESTED MOTION: *“Be it Ordered that the City Council authorize the City Administrator to utilize funds from the Capital Plan to fund the wash bay infrastructure at the new Public Works facility”*

“I move to approve the Order”.

April 22, 2019**Exhibit 1****Kevin L. Sutherland****City Administrator**KSutherland@sacomaine.orgfacebook.com/sacomaine[Twitter.com/sacomaine](https://twitter.com/sacomaine)Instagram.com/saco.maine**Administration**

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 300 Main Street
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**MEMORANDUM**

TO: Mayor Lovell and City Council
FROM: Kevin Sutherland, City Administrator
DATE: April 22, 2019
RE: **Capital Funding for Public Works Wash Bay**

In 2017, the City allocated \$325,000 to partially fund an automated truck wash solution for the City's fleet. This was intended to supplement a regional partnership or other alternative funding source to secure the ability to adequately wash the City's diverse larger fleet, including the school busses. Following the budget allocation, preliminary research and cost estimates showed that a stand-alone regional wash facility would cost approximately \$1.2 M to build. There was not a lot of interest from surrounding communities to pay for constructing a facility in another community, nor did Saco wish to be driving to other communities on a weekly basis to wash our fleet.

In 2017 A. Duie Pyle begin discussions with the City regarding construction of a trucking facility. Through discussions the City learned that the company does build an automated truck wash bay into some of their facilities. They were considering one for this facility as well. City staff expressed an interest in pursuing a shared use agreement for the truck wash bay and expressed interest in possibly utilizing the \$325,000 allocated in the capital plan towards a long-term agreement that would reduce or eliminate the cost per wash for use of the facility. These conversations were intermittent over the following year and a half, and no cost has been arrived at to date.

During the span of time that has passed since the truck wash discussions started, the City has:

- asked the voters and received funding for a new Public Works Facility.
- Purchased land in the industrial Park.
- Acquired land access rights from an abutter along Spring Hill Road.
- Submitted a design and permitting package to Maine DEP for Industrial Park expansion and a new DPW Facility.
- Bid and entered into design/build DPW Facility construction contract.
- Received pricing of wash bay addition to new facility.

When the prospect of a shared wash bay facility was first discussed with Council, the anticipated cost of \$1.2M for a standalone facility was the driver behind partnering. With the construction of a new DPW

facility, the cost of a dedicated wash bay drops to a \$215,000 addition to our new facility project. While only partially automated, it will fit all the large fleet vehicles with attached gear and would be designed for the heavy grit removal necessary for a construction and winter plowing fleet.

The City fleet that most resembles that of A. Duie Pyle's typical truck wash usage would be the 32 school busses. An agreement for the use of the automated wash bay for the bus fleet may be advantageous to the City and A. Duie Pyle, however the restrictions on the rest of the fleet make a commitment for the Public Works equipment more cost prohibitive. Discussions on the wash facility use agreement should be focused on a mutually beneficial agreement targeted at the fleet of 32 busses

This is another time sensitive item in which we would like Council direction. The \$325,000 for a shared wash bay currently resides in the Capital Plan as an earmarked project, but we'd ask Council for permission to move \$215,000 of this over to the PW Facility Project. As this is a project level discussion (not a movement from one department to another), it does not require a budget amendment, but because the intent of the resources has changed some (a shared approach to strictly part of our PW facility) and the dollar amount is so large, I would ask the Council to provide their input and vote on this matter at a future meeting. Timeline (to include as part of the building design) may require this to be voted on by the 29th as well.