

**STATE OF MAINE**

**COUNTY OF YORK**

**CITY OF SACO**

The following are minutes of the August 16, 2010 Council Meeting.

- I. CALL TO ORDER** – On Monday, August 16, 2010, at 7:00 p.m. a Council Meeting was held in the City Hall Conference Room.
  
- II. ROLL CALL OF MEMBERS** - Mayor Roland Michaud conducted a roll call of the members and determined that the Councilors present constituted a quorum. Councilors present: Margaret Mills, Leslie Smith, Jr., Marie Doucette, Jeffrey Christenbury, Arthur Tardif, Eric Cote and Councilor Marston Lovell. Also in attendance, this evening, were City Administrator Richard R. Michaud and Lucette S. Pellerin, City Clerk.
  
- III. PLEDGE OF ALLEGIANCE**
  
- IV. GENERAL:**
  
- V. APPROVAL OF MINUTES:** Approve minutes for 8/2/2010

Councilor Mills moved, Councilor Tardif seconded, to accept the minutes as written. The motion passed with seven (7) yeas.

**VI. AGENDA:**

**A. (Public Hearing) Renewal Liquor License Townhouse Pub**

Townhouse Management, Inc. d/b/a Townhouse Pub., has applied for a renewal of their Liquor License/Special Entertainment Permits. Said permits are to expire on September 22, 2011.

The applicant has paid all applicable permit fees and the clerk has properly advertised the public hearing in accordance with M.R.S.A., Title 28-A, Subsection 653 and in accordance with Saco City Code, Chapter 93, and Entertainment sub-section 93-2.

Councilor Cote moved, Councilor Christenbury seconded, to open public hearing. The motion passed with seven (7) yeas.

There being no comments from the public Councilor Christenbury moved, Councilor Lovell seconded, to close the public hearing and grant the renewal applications submitted by Townhouse Pub, for a Liquor License and Entertainment Permit, for the period of one (1) year. Further move to approve the Order. The motion passed with seven (7) yeas.

**B. Confirm the Mayor's Appointment to the Economic Development Commission:**

## **Bob Tkacik**

The Mayor seeks to appoint Bob Tkacik of 18 Marshwood Circle to the Economic Development Commission for a five (5) year term.

Councilor Cote moved, Councilor Lovell seconded, that it be ordered that the City Council confirm the appointment of Bob Tkacik to the Economic Development Commission, with a term to expire on April 2, 2015. Further move to approve the order. The motion passed with seven (7) yeas.

Mayor Michaud requested a motion to recess.

Councilor Mills moved, Councilor Lovell seconded, to recess. The motion passed with seven (7) yeas. TIME: 7:02 p.m.

## **VI. RECONVENE THE MEETING**

The meeting reconvened at 8:23 p.m.

### **C. Saco Island Wind Turbine (Item A on the Workshop Agenda)**

The Wind Turbine at Saco Island was put online in February of 2008. The original contract called for an installed price of \$200,000. This was later adjusted to \$207,000 because of substandard soil conditions. To remedy the situation piles had to be driven down to refusal or solid ground so that the foundation would not shift. The cost of the system itself was \$145,000. This included the turbine, monopole, and control package. There is no debt service on the turbine package; it was paid off at completion of installation.

As spelled out in the contract with Entegriy Wind Systems (EWS) it had guaranteed the unit would produce 90,000 kWh/ year, or \$12,600 per year of electrical savings at 14 cents per kW hour. This guarantee was good for a ten (10) year period. Also stipulated in the contract was that the company EWS was responsible for all maintenance items. During years 1 thru 5 it was of no cost to the city, and in year 6 it was \$3,300. During years 7 thru 10 it was to be adjusted annually by using the consumer price index.

In October of 2009 a Canadian court declared EWS bankrupt which in turn let the City of Saco without a valid contract. The City no longer had a performance guarantee or maintenance agreement.

On May 22<sup>nd</sup> of this year the turbine was inspected and serviced for a cost of \$2,125. Although the unit is mechanically and structurally fine there is a problem with the shroud or faring that sits on the monopole just below the turbine itself. Although it is staff's recommendation to remove the shroud it will be an additional cost of \$2,500 to \$3,000.

During discussions earlier this month with James Heath, the former CEO of EWS, he indicated that he would be willing to assist the city in selling the turbine which he says has an estimated value of \$130,000. His time frame for doing this is uncertain. Mr. Heath has also mentioned that he would like to develop a new type of blade that would increase the production of the unit and quiet it at the same time. He estimated that the new blades would allow the unit to produce around 30,000 kWh per year with availability sometime late 2011.

Councilor Christenbury moved, Councilor Lovell seconded, that it be Ordered that the City Council make an exception to Chapter 3, Article VIII of the Administrative Code – Policies and Procedure - § 4-40 Loaning or Selling City Property or Equipment to declare as surplus property the EWQ-15 Wind Systems Turbine located at Saco Island.

Further moved that it be Ordered that the City Council authorize Jim Heath to broker the sale of the EW-15 wind turbine system and further move that the Council reserves the right of refusal of the sale. I further move to approve the Order. The motion passed with four (4) yeas and three (3) nays. Councilors Mills, Smith and Cote voted in the negative.

## **VII. ADJOURNMENT**

Councilor Mills moved, Councilor Doucette seconded, to adjourn. The motion passed with seven (7) yeas. TIME: 9:55 p.m.

ATTEST: \_\_\_\_\_  
Lucette S. Pellerin, City Clerk