STATE OF MAINE
COUNTY OF YORK
CITY OF SACO

I. CALL TO ORDER – On Monday, May 6, 2013 at 7:00 p.m. a Council Meeting was held in the City Hall Auditorium.

II. ROLL CALL OF MEMBERS – Mayor Johnston conducted a roll call of the members and determined that the Councilors present constituted a quorum. Councilors present: David Tripp, Leslie Smith Jr., Marie Doucette, Philip Blood, Arthur Tardif, Eric Cote and Marston Lovell. City Administrator Rick Michaud was also present.

III. PLEDGE OF ALLEGIANCE

IV. GENERAL:

PROCLAMATION – PEACE OFFICERS MEMORIAL DAY AND POLICE WEEK

PROCLAMATION CITY OF SACO
PEACE OFFICERS MEMORIAL DAY May 15th
& POLICE WEEK - May 12-18, 2013

WHEREAS, every day, public safety officers work tirelessly to protect our citizens, enforce our laws, and keep our neighborhoods safe. They report for duty knowing full well the dangers they face and the sacrifices they may be called upon to make; and

WHEREAS, this week, we pay tribute to the men and women who serve us with extraordinary bravery and devote their lives in pursuit of a safer, more just society; and,

WHEREAS, while we can never fully repay them for their service, we must work to ensure our law enforcement officers are equipped with the tools and technology they need to do their jobs safely and effectively; and

WHEREAS, the City of Saco devotes significant resources to improving officer safety, providing equipment that has saved lives, training officers to prevent and survive potential lethal encounters, and strengthening our ability to be a vital part of our community; and

WHEREAS, we owe a profound debt to all those who have worn the badge, and to the families whose care enables them to serve with courage and pride; and,

WHEREAS, during Peace Officers Memorial Day and Police Week, we recall the selflessness of our law enforcement officers and their families, and we honor all those who devote their lives to forging a stronger, safer city. Let us reflect on their invaluable contributions as we enjoy the peace they bring to our communities, and let us vow that their service will never be taken for granted; and,

WHEREAS, the President of the United States has been duly authorized by Joint Resolution to designate May 15th of each year as "Peace Officers Memorial Day" and the week in which it falls as "Police Week"; and,

THEREFORE, BE IT RESOLVED that I, Mark D. Johnston, Mayor of the City of Saco, do hereby proclaim May 15, 2013, as Peace Officers Memorial Day and May 12 through May 18, 2013, as Police Week, and encourage residents to recognize the positive impact of the Peace Officers in our city, and to thank those who serve.

In Witness Whereof, I have hereunto set my hand this 6th day of May, 2013.

Mark D. Johnston, Mayor

Councilor Smith moved, Councilor Tripp seconded to proclaim Peace Officers Memorial Day and Police Week, as May 12th – 18, 2013. The motion passed with seven (7) yeas.
PROCLAMATION – BUILDING SAFETY MONTH – MAY

Whereas, our City’s continuing efforts to address the critical issues of safety, energy efficiency, and resilience in the built environment that affect our citizens, both in everyday life and in times of natural disaster, give us confidence that our structures are safe and sound, and;

Whereas, our confidence is achieved through the devotion of vigilant guardians—building safety and fire prevention officials, architects, engineers, builders, tradespeople, laborers and others in the construction industry—who work year-round to ensure the safe construction of buildings, and;

Whereas, these guardians—dedicated members of the International Code Council—use a governmental consensus process that brings together local, state and federal officials with expertise in the built environment to create and implement the highest-quality codes to protect Americans in the buildings where we live, learn, work, worship, play, and;

Whereas, the International Codes, the most widely adopted building safety, energy and fire prevention codes in the nation, are used by most U.S. cities, counties and states; these modern building codes also include safeguards to protect the public from natural disasters such as hurricanes, snowstorms, tornadoes, wildland fires and earthquakes, and;

Whereas, Building Safety Month is sponsored by the International Code Council, to remind the public about the critical role of our communities’ largely unknown guardians of public safety—our local code officials—who assure us of safe, efficient and livable buildings, and;

Whereas, “Building Safety Month: Code Officials Keep You Safe” the theme for Building Safety Month 2013, encourages all Americans to raise awareness of the importance of building safety; green and resilient building; pool, spa and hot tub safety; backyard safety; and new technologies in the construction industry. Building Safety Month 2013 encourages appropriate steps everyone can take to ensure that the places where we live, learn, work, worship and play are safe and sustainable, and recognizes that countless lives have been saved due to the implementation of safety codes by local and state agencies, and,

Whereas, each year, in observance of Building Safety Month, Americans are asked to consider projects to improve building safety and sustainability at home and in the community, and to acknowledge the essential service provided to all of us by local and state building departments and federal agencies in protecting lives and property.

NOW, THEREFORE, I, Mark D. Johnston, Mayor of the City of Saco, Maine, do hereby proclaim the month of May 2013 as Building Safety Month. Accordingly, I encourage our citizens to join with their communities in participation in Building Safety Month activities.

Mark D. Johnston, Mayor

Councilor Blood moved, Councilor Smith seconded to proclaim May 2013 as Building Safety Month. The motion passed with seven (7) yeas.

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COUNCILOR Blood moved, Councilor Smith seconded to proclaim May 18th – 24th as Hunger Awareness Week. The motion passed with seven (7) yeas.
V. AGENDA:
A. RESOLUTION – STATE BUDGET FUNDING SHIFT TO LOCAL GOVERNMENT

CITY OF SACO, MAINE
RESOLUTION
REGARDING THE GOVERNOR’S PROPOSED BUDGET
SACO CITY COUNCIL – MAY 6, 2013

BE IT RESOLVED THAT THE Saco City Council does hereby express opposition to the proposals to shift the responsibility of funding state government to the local property tax and property taxpayer.

WHEREAS, the State Administration has submitted a proposed budget for the coming biennium that will dramatically shift the responsibility of funding state government to the property tax by eliminating or significantly modifying long-standing property tax expenditure programs; and

WHEREAS, the proposal to suspend municipal revenue sharing would result in a $1,223,000 revenue loss to the City of Saco, representing 8.4% of the City’s general fund operating budget and $0.62 on the property tax rate; and

WHEREAS, the proposal to redirect the excise tax on tractor trailers will reduce the City’s revenues by an additional $26,000 or $0.01 on the tax rate; and

WHEREAS, eliminating the homestead exemption in FY15 for those under 65 will increase taxes for no longer qualifying residents by $144 on the net median home value in that year if the City’s tax remains unchanged, representing a tax increase of over 1.07% for most of those losing the exemption; and

WHEREAS, low and moderate income residents under the age of 65 who now qualify for the state property tax circuit breaker program will no longer qualify for it in the coming budget year; and

WHEREAS, starting in the second year of the biennium, the business equipment tax reimbursement program (BETR), under which businesses are fully reimbursed for property taxes paid on certain business equipment paid on certain business equipment, will be eliminated with most qualifying property transferred to the business equipment tax exemption program (BETE); and

WHEREAS, the elimination of the business equipment tax reimbursement (BETR) and the modification to the business equipment tax exemption (BETE) will have a significant impact on the City’s commercial taxpayers, many of whom make-up the economic engine for the State of Maine, providing jobs and good paying salaries and benefits. The elimination of BETR program will adversely affect the retail sector, a sector who will not qualify under the BETE program. Additionally, all businesses within the BETR program will experience an 18 month void in State reimbursement until those businesses qualify for BETE program funds; and
WHEREAS, if enacted, these changes will reduce City revenues by at least $1,310,562 in FY14, excluding certain impacts on the school budget; and

WHEREAS, to replace these revenues through property taxation, the City’s tax rate would have to increase by approximately $0.63 in FY14 before considering any other expenditure increases that may be required; and

WHEREAS, alternatively, reducing expenditures by this amount would require elimination general fund expenditures and dramatically reducing community services and staffing over and above reductions that have been implemented since 2010; and

WHEREAS, further staffing and expenditure reductions of this magnitude would undermine the City’s ability to provide local public services; and

WHEREAS, even a balance between tax increases and spending cuts would result in much higher property taxes in return for services that would no longer meet resident expectations or needs.

NOW THEREFORE, BE IT RESOLVED BY THE SACO CITY COUNCIL, hereby expresses strong opposition to provisions included in the recently proposed state budget that would significantly shift the cost of funding state government to the property tax and property taxpayer. These proposals will dramatically increase property taxes in Saco, taxes which are often unrelated to the ability of the owners or renters to pay, and will require spending reductions which will call into question our ability to protect the health and welfare of our community and provide our residents with government services.

BE IT FURTHER RESOLVED, that the City Clerk be directed to provide copies of the Resolve to the members of the Legislature representing the City of Saco, members of the Appropriations and Taxation Committees, the Governor, the Speaker of the House, the President of the Senate and the Legislative leadership.

Attest by: Michele Hughes, City Clerk

Councilor Lovell moved, Councilor Tripp seconded to endorse the resolution expressing opposition to the Governor’s proposed budget. The motion passed with seven (7) yeas.

B. CONTRACT ZONE – 6 & 8 NEW COUNTY ROAD PARCELS – (PUBLIC HEARING)

Applicants Robert and Jeanne Labonte propose a contract zone for their two parcels at 6 and 8 New Country Road. The current R-1d zoning allows residential subdivisions. In order to make the project feasible – costs include extending the public sewer across the Turnpike – they ask that minimum lot size, frontage and setback requirements be relaxed so that more lots would be possible than otherwise allowed in the R-1d zone.

The Planning Board reviewed this request originally as a proposed zoning map amendment, but felt that the applicant would be served in a timelier manner via a contract zone application. The Board made a positive finding on each of the four standards for a contract zone; and forwards a positive recommendation for the contract zone as proposed.

The Council discussed this item in Workshop on April 1, 2013. The First Reading was on April 16, 2013.
Councilor Tripp moved, Councilor Smith seconded to open the Public Hearing on the Contract Zone document titled, ‘Contract Zone Agreement By and between Robert and Jeanne Labonte and the City of Saco, dated March 5, 2013’. The motion passed with unanimous consent.

Jason Labonte, Developer of the Proposed Project – As a citizen and tax payer of Saco, I also feel the same burden of tax increases as everyone else in the city. I also heard from the city Treasurer that it is also very difficult to get back ahead until we see more new construction start up and get permits and impact fees. This is a perfect time for the city to have financial gain by allowing the contract zone. A single building permit on city water and sewer has been costing around $8,800 per house. But with the current, we will not be able to build a subdivision at all. Bringing sewer across the turnpike and infrastructure costs exceeds the income from the amount of loss we get, the project will be dead. But the contract zoning will enable us to get around 60 lots. This will make it worthwhile to develop which is what the city needs right now to get out of financial debt. The 60 houses will bring in over $500,000 just in permits and impact fees and an estimated $270,000-$300,000 a year in taxes per year. This would be a win win for everyone including the tax payers of Saco. At the prior meeting, Council Tardif asked what makes this project different from others that would warrant this contract zone. I wasn’t prepared to answer that at the time, but I am now. First in location - The turnpike is a large hinder on this project as many people will not like the turnpike noise, which will devalue the property significantly. Trying to make this high end subdivision would be impossible. The possibility of bringing sewer across the turnpike is expensive as well as engineers and infrastructure, making this project impossible to consider without the contract zone. Though the parcel is very close to the turnpike it is also very close to the R2 Zone which has tighter restrictions and requirements than what I’m asking for. I know the City of Saco has used the turnpike as the line to divide types of development, times have changed, and there is not much land left east of the turnpike. Saco statistics show there are 60 permits a year currently, whether they are new construction or remodels and guesstimate there will be 60 new houses a year in the very near future. There is not enough development in Saco to cover this or even come close to covering this. You will not get this east of the turnpike, west of the turnpike is our only direction to go. You can’t get any closer to the turnpike than our parcel of land which is right in the middle of Saco future plan for development. The City of Saco has a plan to do this and we are right in the middle of it. Another issue that we have to overcome is the 24” water main that goes down the middle of our property. The water main has a 30’ easement around it so no construction including roads and run continuously over it. This makes development with the current lot sizes even more difficult and forces us to make two roads instead on one, which doesn’t work well at all with driving up infrastructure cost and eliminating more lots and making this project impossible. Another reason for the contract zone is the shape of the parcel with the current lot sizes it just more or sense to build a single road and keep infrastructure costs down but the current city requirements say that we can only build a 1,000’ road before we need a second entrance. This really limits the use of land. The water main in the middle really limits the length of the road as well. This will limit of amount of lots less than one third. If you would let us do a contract zone, it doesn’t make sense to have all this land wasted to close to town when we can use it for high density subdivision which can only help the City of Saco for revenue and future maintenance costs per family low. This will in turn help keep our taxes lower. Sewer – We are bringing sewer across the turnpike as a result of this. Maine Turnpike has issued us a letter saying they are not opposing in any way, simply just requesting us to bore under the turnpike to their specifications. These are only four rules that were very understandable and for good reason. Given the fact that we are the first parcel land on Route 5 to do this and even have the ability to do this really gives the City of Saco a greater advantage for future development. Very few parcels will ever have this ability given the layout of the land along the turnpike and the availability of water and sewer. The combination of this is very unique in its location and I believe the City of Saco should look at this unique opportunity and allow us to do a contract zone to help pay for the additional sewer costs and give the city a huge alternative for future development along Route 5 and allowing many possibilities in the future further down the road. Timing – I feel that during these times of recession and the value of land has decreased to half of what it used to be. Building subdivisions during these is almost impossible unless the access to city water, city sewer and correct zoning together to make it affordable to do. Even though the infrastructure cost hasn’t changed much in 5 years, the value of land has dropped in half. This will reduce the amount of area in Saco that can be developed. With minimal development people looking for new houses would just go to other cities/towns. Waiting for the economy to increase is just crazy. I’ve worked hard through this recession and one
thing I have learned is that nothing is ever given to you. You work hard for what you got, it’s a Maine tradition. So why wait for development, the contract zoning will keep infrastructure costs down allowing development today and not tomorrow. The economy won’t get better by waiting. The interest rates are at a all time low, now is the time to develop. Let’s put people back to work. I’m not asking for a federal grant, money from the city or any type of hand out, just asking for a compromise during a tough time which would make a big difference. Maintenance – This is something the city should take a close look at. After seeing the increase of property taxes due to allot of road infrastructure and repaving, contract zone would allow and additional 30-40 houses for the same amount of road, sidewalks, sewer, water, and ditches to be maintained which would dramatically save the city money years to come. Peoples Request – Eighty percent of my customers are looking for a house between $225,000 - $275,000 and most of them want to be in a subdivision. Not everyone can afford to spend $400,000 on a house. Looking at the past, it was those houses that went in foreclosure. Past Development – Hillview Heights, Shadagee Woods and Ross Ridge are some of the best subdivisions in Saco. I feel that we can make a subdivision that is better than all of them. It’s not the sizes of the lots that matter, but the quality of the houses. Net Zero Carbon Emissions – Net zero carbon emissions are highly insulated houses that can be completely heated by solar energy. The cost is considerably cheaper than they were three years ago. Will you help me make a better future for our children and allow this contract zone, and I will show you the future. Mr. Labonte presented some maps showing where the R-2 Zone is compared to where his land is located.

Phil Coop, a Co-founder of Revision Energy – Local Solar Energy Company – our mission is to help Mainer solve its long term energy problems. Today Maine has the highest per capita of oil consumption in New England and the highest per capita Co2 emissions in the region. Mr. Coop testified in support of Jason & Jeanne Labonte’s project to build net zero homes in Saco. The reason for my support is job creation in Southern Maine, reduced fossil fuel consumption, Co2 Emissions and economic development in Southern Maine. I lived in Saco for a number of years and my dad taught at Thornton Academy, I attend Biddeford High School, and still live in this area. Jobs – This project would mean good paying jobs for allot of people who have struggled through incredibly tough times. Saco and Biddeford need this type of economic development. The reality is that 440,000 homes in Maine are heated with oil. The good news is that Maine gets some of the best sunshine in New England. On an annual basis, Maine gets 33% more sunshine per year than Germany which is the world leader in solar energy. More than 4,000 Mainer’s have invested in solar energy systems with us in the past 10 years. During the last 5 years, we have seen an increase in net zero homes. Net zero means the home has zero carbon emissions because clean renewable energy sources are used to provide heat, power and cooling. Germany is like Maine, we do not have fossil fuels in our soil. The cost for solar panels has plunged by more than 60%. The average Mainer pays about. 15 cents per kilowatt hour for their electricity. When you put a solar ray on your roof, you can lock in your own clean electricity rate at about 6 cents a kilowatt hour over the 25 year warranty life of the panels. This is real saving for Mainers. This brings use economic and environmental stability. A net zero community in Saco would be a tremendous marketing opportunity for the city. If you have a bad taste in your mouth with what happened to Saco’s wind turbine, I’s caution you not to let that color your interpretation of what Jason is proposing. This stuff is proven to work well in the harshest environment known to human kind. In terms of economic development this project is a home run for Saco. Increased revenues and taxes, fixed long term energy costs and a new community that will serve as a shining example of sustainability in coastal southern Maine.

Dale Laskey, 23 Skyline Drive – Mr. Laskey works for Deering Lumber. He was here tonight to support Jason. Allot of people would love to live here, but the cost of owning a home in Saco is pretty expensive today. This project would allow people an opportunity to get into Saco. The net zero part too would be a good selling feature. What Jason is looking to do is less than a mile away from Shadagee Woods which is really a nice development.

Bill Kany, 3 Blackberry Lane – While Mr. Kany was Mr. Labonte’s attorney in his prior life, I am no longer his attorney, and am here as a taxpayer in the City of Saco. He feels that one of the cornerstones of our economy in Southern Maine is the home building industry and it is something this Council and city should be encouraging as much as possible. I do understand however, having worked on many contract zones that it is a challenging thing to get approved. What I wanted to focus tonight was the element that requires that this contract zone will be
consistent with our Comprehensive Plan. If you look at Chapter 5 of our Comprehensive Plan, one of the goals of this city is: “The city should continue to provide for the construction of a wide range and types of housing that a variety of densities and types to insure that the diversity of people can continue to live in the city including younger households.” The goal of this neighborhood is to create that very type of lower cost household for the younger families who would like to come here to Saco to avail themselves of our wonderful school system. If you look at section 5-12 of the Comprehensive Plan which talks about water service. We know this subdivision is serviced by public water and would have public sewer. One of the goals states – “The city should allow residential development at higher densities in those areas where water and sewer is available then in those areas that service is not available. Under sewer service, the city should allow residential development in higher densities in those areas where water and sewer service is available, then in those areas where it is not available.” Under general pattern of development – Section 6.2 “Developments on the fringe of an area where public water and sewer service is and can be provided” shows that the Comprehensive plan is promoting on those fringe areas that we are talking about, just on the other side of the R2 zone on the other side of the turnpike. Most telling is in section 6.5 #15 is “The city should encourage new single family residential development located in areas where public water and sewer service are available or can be reasonably provided. The city zoning regulations allow new development in these areas at a density of 2 to 6 units per acre”, which is consistent with the Labonte’s proposal. This is one of those rare instances perhaps where this development and this contract zone is precisely consistent with our Comprehensive Plan.

Councilor Tripp moved, Councilor Lovell seconded to close the public hearing on the referenced document and be it ordered that the City Council set the second and final reading for May 20, 2013. Further move to approve the order. The motion passed with seven (7) yeas.

Councilor Cote – What do you have in mind for requirements for the net zero housing? Mr. Labonte stated that after the first phase of infrastructure, that they would probably build a net zero house. Right now, he has 2 under contract. Even though he would like to do all of them net zero, he is not sure he can because some people are worried that it may not work. The concept should be easier to sell once we have a house built and people living in them. Councilor Cote asked if Mr. Labonte was okay with an amendment to have LED street lights? Mr. Labonte said he was not against that at all. Mr. Labonte also stated that if the city wanted to state that a certain percentage of the houses needed to be net zero houses like 1 out of 5 or something that would work.

Councilor Smith – Mulling over the numbers – 60 houses, the lot is too big, too small, it is in the eye of the beholder. If you have 1 child in each household that would be an additional $10,000 a year for a school kid. So we are looking at $600,000 in additional school costs. Mr. Labonte stated that he thought about that and out of the 23 houses he built last year, we only had three of them that had kids. We had allot of first time home buyers who didn’t have any kids at all. How many years are those people paying taxes before they even put a kid in school? Councilor Smith reviewed the potential generation of taxes versus 60 kids, 4 class rooms, 4 teachers & teacher aides. He would like to have someone crunch the numbers and see what the effect will be. He noted that he has been paying taxes for 20 years beyond having any kids in the school system, but I won’t last forever, someone else will be in that house.

Councilor Tardif – What is your setback from the Turnpike? Mr. Labonte believed it was a 50’ setback. Councilor Tardif inquired what the setback was from the golf course? Mr. Labonte stated that he had open space along the golf course. There is roughly a 50’ open space and a 10’ setback off from that. Councilor Tardif asked what the setback was from homes? If we do the proposed, it will be 10’ and 10’ so that is 20 feet between the houses. The back setback would be 10’ as well. There is open space around the back lots, just none around the middle lots.

C. CODE AMENDMENT CHAPTER 4, TERM LIMITS COASTAL WATERS COMMISSION – (PUBLIC HEARING)

Proposed to the City Council is a Code Amendment which would eliminate the “term of office” limits now provided in the City Code §4-39 Coastal Waters Commission. It is proposed that subjecting members to term limits diminishes the continuity of the Commission as well as creating a loss of institutional knowledge. Additionally, the
Code change will bring the Coastal Waters Commission rules in line with other commissions/committees established in Chapter 4.

The Council discussed this item at Workshop on April 1, 2013. The First Reading was on April 16, 2013.

Councilor Blood moved, Councilor Tripp seconded to open the Public Hearing on the document titled ‘Part 1. Administrative Legislation, Chapter 4, Article 39 Coastal Waters Commission, B (5), dated April 1, 2013’. The motion passed with unanimous consent.

There were no comments from the public.

Councilor Blood moved, Councilor Tripp seconded to close the public hearing and “Be it ordered that the city council set the second and final reading of referenced document to May 20, 2013”. Further move to approve the order. The motion passed with seven (7) yeas.

(Underline represents new language, while strikethrough is language to be deleted.)

Part 1 Administrative Legislation – Chapter 4, Article 39 Coastal Waters Commission, B (5), dated April 1, 2013 §4-39 – C (5)

(5) The term of office of a member shall be three years. Members may be appointed for a maximum of two consecutive three-year terms but may be appointed again after one year off the Commission. Each Commissioner shall be a resident of the City, shall be persons qualified to perform the duties of such office and shall serve without compensation.

D. SALE OF 58 WASHINGTON AVENUE

At the regular Council Meeting on February 19, 2013, the Council voted in accordance with City Code Article I, §81-(1) and (2), to declare the property identified on tax map 33, as lot 123 (58 Washington Avenue) as surplus real property. The Council requested that the City Administrator sell said property via the city’s ‘sealed bid process’.

The city sent bid notification letters to the abutters within 250 feet of said property, as well as, to 15 local real estate agencies. The bid request was properly advertised in the Sun Chronicle the week of March 16, 2013. The city received nine bids that were opened on Wednesday, April 3, 2013. Exhibited below are the bid responses.

The Council discussed this item at Workshop on April 16, 2013.

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<tr>
<th>Name</th>
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<tr>
<td>James Ernst</td>
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<tr>
<td>William Jameson</td>
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<td>Teari Cayford</td>
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<td><strong>Thomas Sangillo</strong></td>
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Councilor Cote moved, Councilor Lovell seconded “Be it ordered that the City Council authorize the City Administrator to proceed with the sale of 58 Washington Avenue to Thomas Sangillo for $41,205.00, and further that the closing documents be prepared by the City Attorney.” Further move to approve the Order. The motion passed with seven (7) yeas.
E. FY14 BUDGET – (PUBLIC HEARING)

The City Administrator submitted the Fiscal Year - 2014 Budget to the City Council on March 18, 2013. Pursuant to the City Charter, § 6.06 and 6.07. City Council Action on the Budget and Capital Program, a “Notice of Budget Hearing” was posted in the newspaper.

The purpose of this evening’s meeting is to hear public comment on the Budget and Capital Program.

Section 6.06 (b) further states that, “Amendment before adoption. At the next regular or Special City Council meeting, at least seven (7) days after the public hearing, the City Council may adopt the budget with or without amendment...” Section 6.06 (e) states, “the City Council shall, by order, adopt the budget at a regular City Council meeting on or before the first regular City Council meeting in June”.

The Council discussed the budget in workshop on April 1, 2013 and April 16, 2013.

Councilor Blood moved, Councilor Lovell seconded to open the Public Hearing on the Fiscal-Year 2014 City Budget and Capital Improvement Program. The motion passed with unanimous consent.

Mayor Johnston pointed out that the budget that is before the Council tonight was the budget that was presented by City Administrator Rick Michaud on March 18, 2013. As Councilor Blood noted, there have been a number of meetings and as of last week, there were discussions of not starting with the City Administrators suggested budget of an increase of .41 cents. What is upon the table this evening is a budget increase of .10 cents. The City Administrator is suggesting lowering the budget increase by a draw on the unassigned fund balance of $255,000 which would be a savings of .13 cents, the estimated tax value of property will increase by reducing the mill rate by .11 cents, with the new heating system that is being proposed for City Hall there will be a savings of around $5,400, it was recommended that the Dept. of Public Works travel expenditure be reduced by $2,000 and the advertising be reduced by $1,000 and another draw on the unassigned fund balance of $135,000 which is .07 cents savings on the tax rate. Of all the decreases it will save the tax payers .31 cents off the proposed increase which means only a .10 cent tax increase. This does not include the schools proposed budget which will increase the mill rate by .65 cents and the York County Governments increase on the mill rate is .07 cents. Adding these all together, means a mill rate increase of .82 cents. The city is not interested in reducing capital improvements to roads, tarring or construction on the roads. This is not being considered at all.

Mark Rioux, 40 Plymouth Drive – Mr. Rioux stated there should be no tax increase this year. Last year was hard with an 18% tax increase. I don’t know what went to the schools or the city, but it was too much. At this rate when I retire, I will have to move and I don’t want to do that. It is important for the city to look at productivity improvements and ways they can cut to maintain a good solid economical base. I love the community and want to stay here.

Lisa Labonte, 324 North Street – Ms. Labonte stated she is green and like’s Mr. Labontes ideas and she is probably the longest Zoom bus passenger. I know that the city contributes to the Zoom and Shuttle bus. I can drive but I prefer to take the bus. I have been taking it since its inception in the late 1990’s. I’m able to do work on the bus, decompress when job number one is over and need to go home and do job number 2 with the kids and dinner and stuff. Additionally with high gas costs, the bus program is a great program. Their schedule is optimum for me and for a great number of people who work in the Portland area. I hope that you consider keeping it on.

David Dunn, 12 Wild Briar Drive – Mr. Dunn believes in the net zero house and the net zero tax. Last year’s 18% tax increase was a burden. Allot of people in town complained about the increase. He also felt that when we have important meeting like this, we need better notification rather than just advertising in newspapers. We have a nice marquee at the multi-million dollar Fire Station that I’m not so sure that we needed. I circulated around today and talked to allot of different people and they had no idea this meeting was going on tonight. I didn’t get an 18% income increase last year and I don’t know anybody who did. Allot of people out there have lost their jobs in the last few years and the people who didn’t, had to take 10% decreases in their salary in order to keep their jobs.
Whatever they point out the unemployment rate as, you can double it. What has happened is the unemployment rate only reflects the people who are attempting to collect and not the people who have exhausted the benefits. I don’t know how the elderly are getting by on these types of tax increases. It’s mind boggling. I’ve adjusted my life style and have lived in this city about 8 years and I have seen my house taxes almost double from $4,000-$8,000. That is embarrassing and unreal. I didn’t put any children into the school system, but I feel that I should participate and help everybody else. This is a nice community. After the schools in Saco got a C grade, I’m not sure if I can support the school budgets anymore. I would like the city to hold the reins on everything and try to do a zero increase. I’m trying to get the taxpayers here to take a strong look at the school budget as well and speak up, because I don’t feel like rewarding a system that doesn’t do a good job, and “C” is not a good job, it is very average. We sent a Governor up there to straighten out our State. I may not like how he presents it, but he is doing what I want. He is actually cutting costs back and it is impacting the city, and the message is that we need to cut back as a group. Saco is a great community and where I want to be, but you are driving me and allot of other people out of town.

Pat McKenna, 18 Lewis Lane – Mr. McKenna noted that the city runs the town like a business. Allot of businesses have made cuts over the years. I don’t see where we have to hire any more detectives, and we don’t need a new fire boat. They didn’t take care of what they had. It’s a hard decision and I would hate to see a tax increase myself. I have two kids in the school system and it’s hard out there. Do the best you can for everyone here. Maybe people need to start taking days without pay or maybe city hall needs to be shut down once or twice a week. Do whatever it takes. Employees may have to take a little more out of their pockets for their own benefits like the rest of us do. Walk a mile in our shoes.

Linda Morneau, 6 Seafields Lane – Ms. Morneau is new to the community. She moved here from So, Portland in November 2011. She moved to Saco because of the community. She loves this community and the people. Her taxes went up about $1,000 in 2012. I don’t think that I will be able to retire here. Through my life I have owned about 5 houses and I have never seen taxes go up so much in one year. It scared the heck out of me and I thought O.K., now I have to wait until the rates get better. If things don’t get better, I guess I will have to move and go to a better place. Last year’s tax increase was just disastrous.

Jeff Christenbury – Mr. Christenbury noted that he was probably a minority here, but he believes seeing the revised presentation of a .10 cent tax increase, taking a look at all the factors included such as increased labor costs because of contracts, the fuel cost is a .55% tax increase which is allot better than 18% last year which I believe everyone in this room feels is unacceptable. But unfortunately we can’t really change that this year. We can change the school budget if we all show up at the budget meeting in a couple of weeks. We have to face facts that we live in a State, city and country that has public sector unions. It is very difficult to cut the city budget without cutting people, because the city budget is largely staffed, but they all have three year contracts, they all get the CPI increase which is a very small increase, but most people aren’t getting increases. This is reality when we live in a public sector union city and while those are in effect, it will be hard to cut positions. I was on the Council a while ago and came in thinking we were going to cut allot, but when you get down to it, if you want to cut a police officer or public works, that’s a very though decision. This Council and when I was a part of it, spent many years with a zero percent increase because of political reasons. Look what happened, we spent all of our fund balance and we got way behind on paving because of that. Last year’s municipal increase of 6% was allot together with the schools 12% tax increase. We can go to a zero percent increase, but if we keep doing this every year, we will end up in 4-5 years in the same position as we were with no paving, no capital expenditures. I believe a .55% tax increase is not unreasonable, but people need to make sure to get out to the school budget because that is where we are talking about the big increase.

Chris Denton, 322 Boom Road – Mr. Denton is a citizen of Saco and the Chair of the Saco Citizens for Sensible Taxes Committee. It was refreshing to here that the budget increase has gone from .41 cents down to .10 cents. I commend the Mayor and Council for hearing the citizens of Saco and remembering that at the top the of the city organizational chart, the citizens are at the top of that and are listening. Since you changed out, my talking points are a little bit different. We went into this with s $340,000 gap in order to get to zero. In the last budget workshop
there were cuts of about $208,000 of that $340,000 that were identified through the sale of the North Saco Fire Department, Washington Street property, the amount that the public works department gave up, a police officer, which left just over $110,000 to fully close that gap. We were made aware that the city was actually running about $600,000 favorable to budget on expenses and $200,000 favorable to revenue. During conversations with the city, we heard that we could not fully recognize the $800,000 in opportunity, but I think the city felt that comfortable that they would come in around $300,000 in savings. So given the numbers that were identified in the last meeting as well as the potential for $300,000 additional from the FY 2013 budget it seems well within reach that the city can come in a zero percent increase. While I recognize that we said we were looking at a .10 cent increase and there is a potential for zero, I would really like to know which one it is. I think it would have been nice coming into this meeting knowing what the city was putting in front of us. We certainly understand that it is difficult to come into a budget and make cuts. But just by comparison, if we look at the proposed budget with a .10 cent increase, I think takes us to a mill rate of $19.12. When you factor in .82 cents on top of the current $18.03 compared to the published documents from Biddeford, they are coming in at $17.75 which is a little bit larger community, but that is $1.43 per mill higher in Saco than Biddeford. If we compare it to Scarborough where their population is almost identical to ours their mill rate proposed for the upcoming fiscal year is $15.55 so at this rate we are $3.63 higher that Scarborough. I would just encourage the Council to sharpen their pencils and come in at a zero percent tax increase.

Ron Zehner, 124 Buxton Road – Mr. Zehner noted that he is the Vice Chair of the Saco Citizens for Sensible Taxes Committee and he wanted to give a quick history that you folks are apparently listening to us. We started back in the Fall with 50 people. We formed a committee, and brought out 177 people on a cold January night. A week ago last Thursday this Auditorium was entirely filled every chair that the city owned had somebody in it, and the people stood all around this room and out into the lobby area. These people all had one common denominator. They are tax payers and we want to be heard, and it looks like we have been because the city budget in now down to a dime. At the same time, we brought a list for 33 items over 6 months and over 1000 hours of time that was put in to study it. $1.4 million was handed to you. I understand that a few of you are looking at those, and I hope you find that dime. But in the mean time, I want to thank everybody for supporting us, calling you folks the papers and let’s just set something that nobody else has done, zero percent on the city. I won’t say anything about the school budget, because you have no control, but we are going to need every dime that you can save us to pay for the school budget.

Stan Mozden, 35 Cleveland St. – Mr. Mozden has been a resident of Saco for 17 years and a member of the tax group. First of all I want to thank the council and all the Department Heads for the opportunity that we had to meet and in detail review the department, their budgets, their plans for the future and the problems that they have etc. We got a real good understanding of how our community works, the services that it provides and how it goes about trying to do that. We also came away with a definite feeling that the people we have working for us in Saco are really trying their very best to provide us with the very best services in the most effective and efficient manner. This is not to say that there are things that can’t be done differently to see if they can save money. One of the things I can away from all of this exercise is that it is very obvious that the public did not accept or understand the explanation of the 18% tax increase last year. This is an issue that remains to be satisfactorily explained. It has created a very frustrated public. The community likes that services they are provided, but have no understanding of how those things are being done and feel isolated from the government and the people who are providing those services. That has to change. What I’m going to present to you is what I consider as a way to address some of the budget issues and also the big issue I just brought up. One of things that was very obvious is that the senior citizens in this community are viewed more as a burden rather than as a resource. This is the fastest growing part of our population. These people have all types of skills and we are not making use of them. While talking with the different departments I noticed that there were plans of only how the city was going to provide the service. There was no consideration given to citizen responsibility. The problem is not just the cities, it’s the citizens too. They have a responsibility. For example, in the area of trash, this has been discussed in a couple of different meetings. We have around 20 % of our trash that goes into recycling. We all know that about 50 % of the trash we have in this nation and in this community is recyclable. We can save hundreds of thousands of dollars in trash pick-up and
disposal. That’s the citizens responsibility to make sure they recycle as much as possible. We have to start looking at our responsibility. In the Parks & Rec. area, we have lawns that are being mowed all over this community and we have to hire additional people in the summer time to go and mow them. Why can’t we take a page from the mile of highway program and use it in this community to get those areas mowed.

Have business’s in the community assume the responsibility for a block, have a neighborhood say this is right in our community, we can mow it, plant the flowers and maintain it. Why do we have to pay additional people to do something we could go and do for ourselves? There is no attention being paid to this at all in any of the departments. Everybody is looking at things the city is going to do to cut things, because we can’t afford it. If citizens do recycle like they are supposed to do, then the money saved should be cut from the budget and not passed off on some other project that hasn’t been approved by these folks here. Part of the problem with the budget is that when there are savings, the money disappears. If there are savings, they should be labeled that way and set aside that way so everyone knows what is going on. So my plea is, the Council should start calling for somebody to start calling for citizen responsibility. We need to get more responsible as a whole. You want to save money, look in your own back yard. Start there!

Mayor Johnston pointed out that if we did increase our recycling rate by 30% we would nearly save over $300,000. It is so simple, and you don’t have to give up anything. The Library, Museums and our schools would love to have more volunteers. As a matter of fact, Councilor Cote would like to have more volunteers at the Train Station. We have had ads and articles in the paper, and yet very few have stepped up to volunteer. I guess they want us to pay someone to babysit the Train Station. Stanley is absolutely correct, we as a community need to learn how to give back to our community. Not just tax dollars.

Don Osman, Fieldview Estates – Mr. Osman noted that an earlier speaker asked the question “What retired people are thinking and how they live? Well, if you have a retired mother, father, grandmother or grandfather you know that every day that we get up, we are worrying. What’s going to increase next? Everything seems to be going up and it is not easy to be a senior citizen today. We joke, and some of them say, when we get a certain age they ought to take you out behind the barn and shoot you. Because, it is difficult, and I can truthfully say that retired senior citizens get up each day and they worry. I applaud you Councilors and Mayor for all the efforts you are doing to keep taxes down, so at least we can live an ordinary life. My wife and I were on the borderline of pneumonia this past winter. Why, because we couldn’t afford at lot of heat and oil. We had to put on sweaters and jackets. Now I’m not here crying or begging, but I’m just trying to emphasize again the reality. When you get our age, some of you, you might be facing the same problems.

Patrick Fennell, 745 Portland Rd – Mr. Fennell is a life-long resident of Saco. His 89 year old mother works 7 days a week, because she has to pay the taxes. He thought it was because she liked to work. She has been a resident since the early 30’s, and has had a business on Route 1 with my grandfather and father since then. To support the senior citizens and disabled people who own houses, I just want to remind the Council that in 2013 social security recipients received just a 1.7 cost of living increase. Last year in 2012 they received zero percent cost of living increase. In 2011 they received a zero percent increase. You can compare a 1.7 cost of living increase for 3 years to an 18% tax increase and it is a big bite for seniors and those who rely on social security. I’m very glad to hear about the near zero tax increase for this year. I’m going to throw out an idea that hasn’t been mentioned. That would be to look towards a possibly a negative percent increase in the next few years, and see what can be cut. Sure, they are invited to work and volunteer as they can to earn credits towards their taxes, but that is not always possible, for health reasons or they may be working already in their own business. I also applaud the Saco Citizens for Sensible Taxes who have helped educate people. I would like to see Saco more in line with surrounding communities with its tax rate. Referring to one of the previous comments about the mowing that needs to be done, which I believe is around 140 acres of open field that we have. Maybe some of the larger businesses or industries could sponsor some of these acreage parcels that need to be mowed and maintained.

Councilor Blood moved, Councilor Tripp seconded to close the Public Hearing and “Be it Ordered that the City Council set the vote on the FY14 City Budget and Capital Improvement Program for May 20, 2013”. Further move to approve the order. AMENDMENT – Councilor Cote moved, Councilor Doucette seconded to amend the
motion by adding a Budget Workshop on May 14, 2013. The motion failed with three (3) yeas and four (4) nays — Councilors Tripp, Smith, Doucette and Blood.

Mayor Johnston called for a vote on the main motion. The motion passed with five (5) yeas and two (2) nays — Councilors Tardif and Cote.

VI. CONSENT AGENDA

1. COUNCIL MINUTES FOR APRIL 15, 2013

Councilor Tripp moved, Councilor Smith seconded “Be it ordered that the City Council approve the minutes for April 15, 2013. Further move to approve the order. The motion passed with seven (7) yeas.

VII. ADJOURN THE MEETING

Councilor Tripp moved, Councilor Smith seconded to adjourn the meeting at 8:40 p.m.

Attest:_______________________________________

   Michele L. Hughes, City Clerk