STATE OF MAINE

COUNTY OF YORK

CITY OF SACO

I. CALL TO ORDER – On Monday, March 5, 2018 at 6:30 p.m. a Council Meeting was held in the City Hall Auditorium.

II. RECOGNITION OF MEMBERS PRESENT – Mayor Marston Lovell recognized the members of the Council and determined that the Councilors present constituted a quorum. Councilors present: Marshall Archer, Roger Gay, William Doyle, Lynn Copeland, Alan Minthorn, Micah Smart and Nathan Johnston. City Administrator Kevin Sutherland and City Clerk Michele Hughes were also present this evening.

III. PLEDGE OF ALLEGIANCE

IV. GENERAL

MARCH IS WOMEN’S HISTORY MONTH

March is “Women’s History Month”. In recognition of that women have been very important throughout our history.

MAINE RESTAURANT WEEK

This week is “Maine Restaurant Week”. There will be a Chamber of Commerce event on Thursday between 5-7 p.m. at the event center next door to the Portland Pie Company.

PROCLAMATION: MARCH AS SCIENCE MONTH

This March will mark the 4th annual Maine Science Festival. In celebration of this fact and to encourage communities across Maine to celebrate and value science and education in their daily lives, I am proclaiming March as Science Month.

PROCLAIMING MARCH AS SCIENCE MONTH

WHEREAS, Science generates knowledge that we as individuals and a society greatly benefit from; and

WHEREAS, In the month of March, the City of Bangor hosts the Maine Science Festival, a gathering that brought together over 30,000 festival goers in the first three years, with participants coming from Fort Kent to Kittery and outside of Maine; and

WHEREAS, Saco is across the river from the University of New England, home of Maine's only medical school, and national leaders in the areas of neuroscience and marine science, and who is a key partner and sponsor of the Maine Science Festival, who has been a committed presence at the Maine Science Festival from Day One, playing key roles in all aspects of the Maine Science Festival; and

WHEREAS, The Festival draws scientists and engineers from all over Maine to our region to explore, dissect, and celebrate the remarkable science happening right here in Maine; and

WHEREAS, Throughout the Festival, workshops, forums, hands-on activities, exhibits, films, and talks empower children and adults to engage with science; and

WHEREAS, thanks to the contributions of the Festival’s sponsors and partners, almost all of the events are free to the public; and

WHEREAS, It is important to recognize the contributions of science to society, inspire people of all ages to pursue scientific study, and highlight the emerging fields in science that are critical to better understanding the world we live in.

NOW THEREFORE, I, Marston Lovell, Mayor of Saco, do hereby proclaim March as Science Month, and encourage all our citizens to participate in the Maine Science Festival from March 15 to 18, 2018.
DEAN CONIARIS - FISHIN OPTICIAN

Dean Coniaris a/k/a the Fishin Optician passed away yesterday. Dean was a very special person who lived in Camp Ellis and will be greatly missed.

V. PUBLIC COMMENT

➢ Inga Browne – Ecology School – On January 29, 2018, the on-line agenda packet related to the final and second reading of The Ecology School’s contract zone extension request included a memo from planning board member Mr. Don Girouard. He sent the memo to the Mayor and Council outlining his recommendation that the council clarify the total program participants the School should be permitted to have on its new anticipated campus at River Bend Farm. The memo was copied to planning board members, Bob Hamblen, Dick Lambert, and The Ecology School.

The original contract zone agreement was approved on Feb. 1, 2016, and as I’m sure we all remember, only stipulated 120 weekly students.

Mr. Girouard’s Jan. 29 memo emphasizes the lack of specificity of total program participants. He also mentions his unsuccessful attempts to bring this to the attention of the mayor and council at the Feb. 1, 2016 2nd reading and final reading, but he was unsuccessful and the contract zone agreement passed that evening with the same vague language regarding total program participants intact.

In the 1/29/18 memo, Mr. Girouard stresses the following: “The total number of program participants, probably more than anything else, determines the potential impact TES will have on the site itself, on surrounding properties, on roads leading to and from the site, etc.”

What is so special about this memo? It was not first written for the Jan. 29th meeting. The memo, with its concerns about total program participants, was submitted by Mr. Girouard to Bob Hamblen via an email attachment on March 2, 2016, approximately one month after the final vote of the contract zone agreement.

A Freedom of Information Access request made on Dec 28, 2017 by myself and two other Saco citizens revealed in our review of email correspondence that the memo submitted on the 29th, just over a month ago, is a slightly edited and revised version of the one submitted to Mr. Hamblen on March 2, 2016. Two days later on March 4, 2016, Mr. Hamblen shared Mr. Girouard’s memo via email with the City Administrator and Mr. Hamblen wrote: “Issue on the horizon… I can toss this into Drew’s lap and ask that he anticipate the issue come site plan review time… I spoke with the Mayor today, and he is convinced that 120 was approved, another 150 was not. Any thoughts on how we address this, and, whether sooner or later?”

How convenient that the City omitted and suppressed this information for two years. How convenient that during the month-long municipal process in January 2018 for the contact zone extension, city staff did not mention the lack of specificity of day student numbers -- NOR did the planning board members at the Jan. 23, 2018 planning board public hearing. Many of you were present for that meeting. How many times did concerned citizens in submitted letters and questions at the microphone ask over and over for clarification on student programing and student numbers? I myself spent countless hours writing several letters, pointing out the weak language and vague parameters around student numbers. And yet, the officials with the answers to these questions sat before me, comfortable in their positions of authority, forgetting their obligation to create and provide a clear, transparent, and fair city government process.

How convenient that Mr. Dumsch and his legal team from Bernstein Shur who carefully reviewed the language in the contract zone agreement in 2016 and again in 2018 – as is documented by the City email records – never referenced the lack of a cap on day students. Why would they? On the day of the 2nd reading and final vote on Jan. 29, 2018, in an afternoon email exchange between Mr. Dumsch and Councilor Minthorn, Mr. Dumsch writes “I’m truly concerned that a definitive bed count in addition to program number limits really will hurt us in the design phase.”

The School’s affection for vague language is a strategic approach that allows for the greatest flexibility while also circumventing the hard limits necessary for a successful contract zone.

There is no doubt that the omission of a total program participants’ number -- or “threshold number” as Mr. Girourd called it -- was a concerted and coordinated effort of City Staff and TES officials to force a last minute amendment.
on the addition of day students. I have no doubt, after reading hundreds of city emails, that staff – the Economic Development Director in particular -- responded to leverage the Ecology School, over and over again in ways that were not entirely appropriate. I have no doubt that the Economic Development Director had an overly cozy and intimate relationship with Mr. Tom Merrill, the owner of the farm during the 2016 contract zone process.

On three occasions during the active lawsuit brought by Mr. Merrill and the School against the Saco Valley Land Trust, the Econ. Development Director directly provided information to Mr. Merrill about the Saco Valley Land Trust (in emails to Tom Merrill on 5/12/16 and 5/26/17) as well as the efforts of neighbors to disseminate factual information to the neighborhood about the School’s plans for River Bend Farm (email to Tom Merrill on 1/28/16). Mr. Mann’s partiality toward the School and the insider information he advanced to Mr. Merrill, the lead plaintiff in a lawsuit against The Saco Valley Land Trust, jeopardized the City’s profile as a neutral entity during this time period.

Mr. Mann knew no boundaries when it came to this project, and his over-the-line conduct raised numerous questions about his professional capacities and integrity in representing the City and the citizens of Saco.

I am alarmed by his poor conduct, as well as the questionable choices of several city staff members related to The Ecology School contract zone process and subsequent approval. The School’s development interests were tirelessly advanced while the concerns of citizens and neighbors who oppose the project did not receive fair or balanced attention.

I am deeply concerned that citizens who speak up, ask questions, or want to know more, -- or who create some polite friction -- get bulldozed or diminished, and even called names. This creates a chasm of division.

The city reaps what it sows. Distrust and cynicism are created by poor process.

Sloppy communication and unprofessional conduct have direct impacts on the city’s ability to move forward in any thoughtful and inclusive way.

➢ Don Pilon – Former Mayor Pilon as he referred to himself as, asked about the Camp Ellis erosion over the last few days. As another major storm moves into the area, what is being done with the mitigation? Have we discontinued working on the jetty with the Army Corps of Engineers? I know that we were given a new number on the jetty proposal for the beach re-nourishment program and also for the extension of the northerly arm off of the jetty. The new number was in the range of $75 million. Have those discussions with the Army Corp of Engineers ceased or are there still ongoing discussions?

City Administrator Kevin Sutherland stated that the city continues to have discussion with our federal delegation and the Mayor has been involved in the process since he has been onboard. The $75 million has been revised back down to $26 million assuming we are not going to do any sand replenishment at this time. We are just trying to get the $26 million to get the extension going.

Mayor Lovell noted that one of the things that occurred at the end of this past week is that the Maine Department of Environmental Protection allowed us to go ahead with a metal sea wall. Now that we have gotten that approval that is going to be some additional defense beyond the federal approach which seems to be rather convoluted. The difference in appropriation and authorization seems to keep money tied up. We are working particularly with Senator Collins and Senator King. We have been in touch with a member of Representative Pingree’s Waterville office who seems to be their appropriation person to try to also get Representative Pingree involved in trying to move this ahead so that the Corps of Engineers is less confused with where they stand with money because that seems to be one of the impediments is that congress can vote something in but they also have to have I guess a equivalent in Maine of the fiscal note going with it. In the federal legislature when Representative Allen and Senator Pingree made their initial action that got us the $26 million award there was that confusion associated with the appropriations money. But, we currently have 2 members of the Maine delegation on appropriation committees so we are working with them to push that forward so that the Army Corp. understands that the money is there and they have an obligation to do mitigation associated with the damage that they admit they have done. The last meeting we had on February 12th on that Mr. Sutherland, Councilor Copeland and others met to discuss an e-mail from Senator King’s Office and since then Mr. Pendleton the Chair of the Chamber of Commerce was in Washington and had a conversation about Camp Ellis and this was last week. They are still pledging their utmost attention to doing something that is going to get the
Army Corps to at least move on their end. On the cities end we have gotten some state approval to do work but right now is not an opportune time to begin putting that seawall in, but we will be putting it in.

Don Pilon inquired if the damage that has occurred to North Avenue and Camp Ellis Avenue has had a state or federal declaration that will reimburse the city for the infrastructure repairs? Mayor Lovell noted that the declaration actually works its way through the county to the Maine Emergency Management Agency and there is a minimum amount. We are sure that with the damage that was done to the entire coast of York County that York County by itself is going to allow the state to meet that FEMA minimum. We haven’t done a complete total as damages occurs with each of the high tides. So, we have gone through 7 continuous high tides where damage has been occurring and I expect this evening we are going to have an 8th high tide where we will receive additional damage and yes, we are keeping total on all that. We have lost streets, we have lost other infrastructure and it has been a horrendous problem. Then you get into the private property damage. So, in talking with our FEMA flood insurance expert I find that Camp Ellis is in the flood zone so anyone with a federally insured loan must have flood insurance. That is also true or those homes and properties that receive damage along Ferry Beach because Ferry Beach is now being damaged by this storm and that non-insured property is going to have to have a much more difficult time because FEMA requirements for the low interest loans that they offer has a very high threshold and those homes are likely to have benefited if they had gotten the optional flood insurance. If they have not it is out of their own pocket and dealing with their own insurance companies.

VI. CONSENT AGENDA

Mayor Lovell removed item #A – Minutes from the consent agenda.

Councilor Minthorn moved, Councilor Archer seconded to approve consent agenda items #B and #C as follows:

B. CONFIRMATION OF THE MAYOR’S APPOINTMENTS TO THE SACO TRUST FUND BOARD OF TRUSTEES – Be it Ordered that the City Council confirm the reappointments to the Saco Trust Fund Board of Trustees as follows: Eric Purvis of 9 Cartier Circle to a 6-year term, to expire on March 5, 2024; Elizabeth McKenna of 18 Lewis Lane to a 4-year term to expire on March 5, 2022; and the new appointment of Joshua Hadiaris of 33 Pine Ridge Road to a 2-year term to expire on March 5, 2020. Further move to approve the Order.

C. CONFIRMATION OF THE RE-APPOINTMENT OF RENE ITTENBACH AND NEIL SCHUSTER TO THE PLANNING BOARD – Be it Ordered that the City Council confirm the Mayor’s appointment of Rene Ittenbach and Neil Schuster to the Planning Board, each for a 3-year term to expire on March 1, 2021, and thank each for their continued and valued service. Further move to approve the Order.

The motion passed with seven (7) yeas.

VII. AGENDA

A. AMENDMENT TO MU-3, I-1, I-2, I-3 ZONE – FOOD PROCESSING FACILITY – (PUBLIC HEARING)

The City has been working with a new business prospect in the food processing sector and they have found a site that will meet their needs in the MU-3 zone. In review of the zoning, food processing businesses have been most often designated as “Light Industry”. This zoning change would add a definition for “Food Processing Facility” and further add those as Permitted Uses to the MU-3, I-1, I-2, and I-3 Zones.

This was discussed with the Planning Board in workshop on February 6, 2018 which indicated general concurrence with the proposed changes provided that all Food Processing Facilities go thru Site Plan Review with the Planning Board in the I-2, I-3, and MU-3 Zones. In the I-1 Zone, the Planning Board suggested that Site Plan Review continue to be handled by the Planner unless the size of the project requires Planning Board approval. At their February 20th meeting, the Planning Board and the Economic Development Commission voted in favor of these amendments

Councilor Doyle moved, Councilor Johnston seconded to open the Public Hearing on the document titled, “Amendments to the Saco Zoning Ordinance, Food Processing Facility Definition added to §230-302 and inclusion of the definition to: § 230-410.6 MU-3 Planned Mixed-Use District; § 230-410.19 I-1 Industrial Park District; § 230-
410.20 I-2 Industrial Business District; § 230-410.21 I-3 Light Industrial-Business Park District”. Mayor Lovell declared the public hearing is open.

There were no public comments.

Councilor Doyle moved, Councilor Johnston seconded to close the Public Hearing and further move to set the Second and Final Reading for March 12, 2018. The motion passed with seven (7) yeas.

Amendments to the Saco Zoning Ordinance,
Food Processing Facility Definition added to §230-302 and inclusion of the definition to:
§ 230-410.6 MU-3 Planned Mixed-Use District;
§ 230-410.19 I-1 Industrial Park District;
§ 230-410.20 I-2 Industrial Business District;
§ 230-410.21 I-3 Light Industrial-Business Park District;

§ 230-302 Definitions (excerpted)

A. EATING ESTABLISHMENT
   A business which sells prepared food and which does not serve alcoholic beverages. No provisions shall be made for drive-through service.
   [Amended 2-19-2002]

B. DRINKING ESTABLISHMENT
   A business or club where alcoholic beverages are consumed on the premises, such as a tavern.

C. EATING AND DRINKING ESTABLISHMENT
   A business where food and alcoholic beverages are sold for consumption on the premises, such as, but not limited to, a Class A restaurant. Eating and drinking places shall offer a variety of meals at all hours they are open and shall be equipped with a full commercial kitchen for the preparation of meals. A full commercial kitchen includes a stove, a stovetop, refrigeration equipment, a dishwasher, and numerous cooking utensils. No provisions shall be made for drive-through service.
   [Amended 3-7-1994; 2-19-2002]

D. DRIVE-THROUGH EATING ESTABLISHMENT
   A business that serves prepared food and includes provisions for drive-through service.
   [Amended 2-19-2002]

Food Processing Facility

The use of land, buildings, or structures for the preparation, processing, cooking, baking or other enhancement of food, seafood, or agricultural products for use or consumption primarily off the premises including such activities as commercial bakeries, breweries, bottling facilities, dairies, lobster pounds and facilities for commercial food processing and/or packaging; excluding all products of a medicinal and/or pharmaceutical nature. Food processing facility does not include a use in which the principal activity is the rendering, storage, and/or treatment of animal or fish wastes. The processing of wastes created on the premises is allowed as an accessory use to a food processing facility.

Forest Management Activities

Timber cruising and other forest resource evaluation activities, pesticide or fertilizer application, management planning activities, timber stand improvement, pruning, regeneration of forest stands, and other similar or associated activities, exclusive of timber harvesting and the construction, creation or maintenance of roads.
[Amended 4-21-1992]
§ 230-410.6 MU-3 Planned Mixed-Use District.

A. Permitted uses:
   (1) Hotels and motels.
   (2) Bed-and-breakfast establishments.
   (3) Retail businesses with less than 100,000 square feet of gross floor area and related outside sales.
   (4) Accessory retail sales of goods manufactured on the premises.
   (5) Artist and craftsperson studios.
   (6) Eating establishments.
   (7) Eating and drinking establishments.
   (8) Accessory food service facilities.
   (9) **Food processing facilities**.
   (10) Health and fitness clubs.
   (11) Financial institutions.
   (12) Professional offices.
   (13) Business offices.
   (14) Offices of tradesmen or contractors.
   (15) Personal services.
   (16) Business services.
   (17) Repair services.
   (18) Funeral homes.
   (19) Health care clinics for humans.
   (20) Animal hospitals and veterinarian offices.
   (21) Light assembly in which all activities occur within a fully enclosed building with no exterior storage.
   (22) Outdoor commercial recreational facilities.
   (23) Commercial recreation.
   (24) Indoor recreation/amusement centers.
   (25) Nonprofit recreational uses.
   (26) Public parks and playgrounds.
   (27) Places of public assembly or entertainment as part of a mixed-use building or mixed-use development.
   (28) Places of worship.
   (29) Municipal uses.
   (30) Quasi-municipal or public uses.
   (31) Day-care center.
   (32) Adult care services.
   (33) Agriculture.
   (34) Accessory uses.
   (35) Essential services.
   (36) Public utility buildings.
   (37) Any use permitted in the Resource Protection District.
   (38) Mobile home parks in designated Mobile Home Park Overlay Districts.

B. Conditional uses:
   (1) Self-service storage units.

C. Additional uses permitted only as part of a master planned development. The following uses are permitted only as part of a master planned development reviewed and approved by the Planning Board in accordance with the provisions of § 230-416:
   (1) Single-family dwellings.
   (2) Two-family dwellings.
   (3) Multifamily dwellings.
   (4) Elderly congregate housing.
   (5) Dwelling units as part of a mixed-use building.
   (6) Community living uses.
   (7) Home occupations.
   (8) Home babysitting service.
   (9) Day-care home.
   (10) One accessory apartment in a single-family dwelling.
   (11) Research and testing laboratories fully enclosed within a building that are compatible with a mixed-use neighborhood.
§ 230-410.19 I-1 Industrial Park District.

A. Permitted uses:
   (1) Hotels and motels.
   (2) Supply yards.
   (3) Parking lots as an accessory use to abutting lots in the B-6 Zone.
   (4) Off-site parking for uses located within the district.
   (5) Health club.
   (6) Financial institutions.
   (7) Business offices.
   (8) Business services.
   (9) Hospitals and clinics for humans.
   (10) Research and testing labs.
   (11) Wholesale trade and warehousing.
   (12) Distribution.
   (13) Truck terminal.
   (14) Light industry.
   (15) Any use permitted in the Resource Protection District.
   (16) Essential services.
   (17) Accessory uses.
   (18) Municipal uses.
   (19) Public utility buildings.
   (20) Public and private schools.
   (21) Commercial schools.
   (22) Nursery school.
   (23) High-voltage transmission lines.
   (24) Medical marijuana caregivers, growing.
   (25) Medical marijuana caregivers, growing facility.
   (26) Food processing facilities.

B. Conditional uses:
   (1) Heavy industry.
   (2) Recycling center.
   (3) Waste composting facility.
   (4) Day-care center.
   (5) Wireless telecommunications facilities.
   (6) Registered dispensary, grow-only.
   (7) Addiction treatment facility.

§ 230-410.20 I-2 Industrial Business District
[Note: includes I-2b District at former Maine Turnpike Exit 5].

A. Permitted uses:
   (1) Hotels and motels.
   (2) Retail uses (I-2b only).
   (3) Accessory uses, including eating establishments associated with hotels and motels.
   (4) Teen center.
   (5) Financial institutions.
   (6) Business offices.
   (7) Business services.
   (8) Hospitals and clinics for humans.
   (9) Research and testing labs.
   (10) Light industry.
   (12) Essential services.
   (13) Municipal uses.
   (14) Recycling center.
   (15) Nursery school.
(16) Adult day-care center, Type 1 and 2.
(17) Municipal animal incinerator.
(18) Enclosed sports arena.
(19) High-voltage transmission lines.
(20) Commercial school.
(21) Elder/disability housing facility - limited service.
(22) Elder/disability care facility - full service.
(23) Elder/disability housing facility (in conjunction with Use 21 or 22).
(24) Places of worship. [Amended 7-16-2012]
(25) Medical marijuana caregivers, growing. [Amended 9-19-2016]
(26) Medical marijuana caregivers, growing facility. [Amended 9-19-2016]
(27) **Food processing facilities.**

B. Conditional uses:

(1) Self-service storage units.
(2) Distribution (including not more than 10% of gross floor space for retail purposes).
(3) Public and private schools.
(4) Day-care centers.
(5) Registered dispensary, grow-only.
(6) Addiction treatment facility.
(7) Car washes in I-2 only (not to include I-2b) [Amended 11-5-2012]

§ 230-410.21 I-3 Light Industrial-Business Park District.
[Amended 2-19-2002; 10-21-2002; 4-7-2003]

A. Permitted uses:

(1) Hotels and motels.
(2) Accessory retail sales of goods manufactured on the premises.
(3) Eating establishments.
(4) Eating and drinking establishments.
(5) Accessory food service facilities.
(6) Financial institutions.
(7) Business offices.
(8) Offices of tradesmen or contractors.
(9) Business services.
(10) Repair services.
(11) Research and testing laboratories/labs.
(12) Wholesale trade and warehouses.
(13) Contractors.
(14) Light industry.
(15) Any use permitted in the Resource Protection District.
(16) Essential services.
(17) Accessory uses.
(18) Municipal uses.
(19) Public utility buildings.
(20) Quasi-public uses.
(21) Public parks and playgrounds.
(22) Public schools.
(23) Private schools.
(24) Commercial schools.
(25) Nursery schools.
(26) Day-care centers.
(27) Agriculture.
(28) High-voltage transmission lines.
(29) **Food processing facilities.**

B. Conditional uses:

(1) Automobile dealers.
(2) Indoor recreation/amusement centers.
(3) Health and fitness clubs.
(4) Distribution facilities.
(5) Radio and TV transmission towers.
(6) Wireless telecommunications facilities.
(7) Registered dispensary, grow-only. [Amended 7-19-2010]
V.  PUBLIC COMMENT

Mayor Lovell stated that we would go back to the Public Comment section. This was so that School Board member Mr. Shimam could provide updates on the School Budget.

➢ Stephen Shimam – School Board Member – The School Board is working on the budget. It has had a number of meetings and presentations of RAD’s. The last two meeting where about how we perceived the vote and on what basis we are voting and on particular issues. One issue was on the pre-school. We asked the Superintendent to come up with a balanced budget on that. So that we don’t have additional costs beyond the money that we are taking in. There was a good call for people to find innovative ways to cut costs. There was little that was specific, but some of the ways to cuts costs can be painful because they can repercussions on people’s lives. A number of board members are looking for ways to be creative about cutting back on expenses. On the other hand, pushing things that would really benefit the school system to move forward, there is a sentiment for that as well. Coming up there is a Finance Committee meeting tomorrow at the central office. Thursday there is a very important meeting in which we are going to come up with a vote as to what the school board recommends. People are thinking about allot of issues and I would welcome feedback when they come because it is complex and watch what is going on the livestream.

But the ways to cuts costs can be painful because they can repercussions on people’s lives. A number of board members are looking for ways to be creative about cutting back on expenses. On the other hand, pushing things that would really benefit the school system to move forward, there is a sentiment for that as well. Coming up there is a Finance Committee meeting tomorrow at the central office. Thursday there is a very important meeting in which we are going to come up with a vote as to what the school board recommends. People are thinking about allot of issues and I would welcome feedback when they come because it is complex and watch what is going on the livestream.

The Mayor of New York got him to agree to work for them but he backed out on the job. I think he felt like he wouldn’t have enough control in New York because the Mayor controls things very tightly. The one thing a friend of his pointed out is that in Miami he doesn’t have that problem. He has 9 board members and they can’t agree with each other on anything.

VII.  AGENDA

B.  CONTRACT ZONE APPLICATION – 445 MAIN STREET – (FIRST READING)

Applicant Lise Ouellette makes application for a contract zone for the property at 445 Main Street that would allow up to four apartment units to be established on the 2nd and 3rd floors of the existing building. The real estate office would remain in use on the first floor.

In the R-1b zone, multi-family dwellings are not allowed; two-family dwellings are, as a conditional use. However, the applicant’s primary issue is density. The parcel is 12,197 s.f. in area. A two-family in the R-1b zone requires 10,000 s.f. per unit, so only a single residential unit would be possible. The applicant seeks approval for up to four units, and is proposing a minimum lot area per dwelling unit of 3,000 s.f. per unit, as stated in the draft agreement.

The Planning 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.

Councilor Smart moved, Councilor Johnston seconded “The City Council hereby Ordains and Approves the First Reading of the document titled, ‘Contract Zone Agreement By and between Lise O. Ouellette and the City of Saco,’ dated December 5, 2017, and further schedules a Public Hearing for March 19, 2018.” Further move to approve the order. The motion passed with seven (7) yeas.

Contract Zone Agreement
by and between
Lise D. Ouellette and the City of Saco
December 5, 2017

THE CITY OF SACO HEREBY ORDAINS:

I.  That the Zoning Ordinance of the City of Saco, dated January 2, 1985, and amended through July 17, 2017 is hereby amended by adopting this contract zone agreement by and between the City of Saco and Lise Ouellette (Applicant).

1. The Applicant owns the property at 445 Main Street (Subject Property), a 0.28 acre parcel (12,197 square feet).
2. Said property is identified as Tax Map 33, Lot 25 on City of Saco tax maps.
3. Said property is in the R-1B zoning district. The property is also located in the Saco Historic Preservation District.

4. The building on the property is used as an office, which is a conditional use in the R-1b zone.

5. The Applicant proposes to maintain the existing office use on the first floor of the building. The Applicant proposes to “…rehab the 2nd and 3rd floors into apartments, which would allow us to reach its potential.”

6. The R-1b zone allows a Two-Family Dwelling as a Conditional Use. In the R-1b zone each dwelling unit requires 10,000 square feet of lot area. Given the existing lot area, a single dwelling unit would be possible, but no more.

7. The owner submitted a request in 2013 for an amendment to the Zoning Map to rezone the Subject Property and the abutting Great American Realty parcel at 439 Main Street from R-1b to B-2d, as the Subject Property abuts the B-2d zone to the north. The B-2d zone allows two-family or multi-family units at 4,000 square feet of lot area.

8. The Planning Board reviewed this request, and rather than extending the B-2d zone further south along Main Street, the Board suggested that a contract zone may better address both the Applicant’s and the City’s goals.

9. Recognizing the limitations of the parcel, and the requirements of the Zoning Ordinance, the Applicants hereby make application for a Contract Zone that would allow the proposed residential units to be established and co-exist with the established office use.

II. This contract amends the Saco Zoning Ordinance as follows:

This Contract Zone, specifically and exclusively for the parcel at 445 Main Street, would allow the Applicants to maintain the existing Office use on the first floor, and also to establish up to four residential units on the second and third floors of the existing building, subject to the following conditions and restrictions, as provided for in Section 230-1405 of the Saco Zoning Ordinance:

a. The Applicant may establish no more than four (4) residential dwelling units on the second and third floors of the existing structure.

b. For the purpose of meeting Minimum Lot and Yard Requirements as stated in Table 412-1 of the Zoning Ordinance, the Minimum Lot Area per Dwelling Unit for the Subject Property shall be 3,000 s.f. per unit.

c. The site currently functions with fourteen (14) parking spaces. Table 708-2 of the Zoning Ordinance requires one (1) space for every 250 s.f. of floor area for an office use. The first and second floors of the building total 3,856 s.f. of floor area, thereby requiring sixteen (16) parking spaces. Notwithstanding Table 708-2, the changes proposed for use of the building shall be allowed based on the existing fourteen (14) parking spaces.

d. The applicant shall incorporate Section 230-708.C(10) of the Zoning Ordinance into the site plan review application in order to identify and reserve an existing landscaped area that may be converted to parking should the need arise, as determined by either applicant/owner or Planning Board.

e. Section 230-707-4 of the Zoning Ordinance limits a sign in a residential district to four square feet if one-sided, or two square feet per side if two-sided. Notwithstanding Section 707-4, the Applicant may maintain the existing business sign for Berkshire Hathaway Home Services N.E. Prime Properties as a conforming sign. However, said sign shall not be grandfathered in the case of a future change in the use of this property.

f. The Applicants shall adhere to all other applicable provisions of the R-1b zoning district, of the Historic Preservation District, and of the City of Saco Zoning Ordinance and Subdivision Regulations.

g. All details included in the submitted application materials are hereby incorporated into this contract by reference. The proposed use shall be operated substantially in conformance with these materials.

h. Minor changes may be approved by the staff of the City of Saco. Any changes determined by the staff to be "major" shall be submitted to the Planning Board for review. If it is determined that the changes constitute a change in the contract, then the developer shall also be required to obtain City Council approval of the changes.

i. Upon approval of this contract by the City Council, the Applicants shall submit materials required for site plan review to the Planning Office in order that the project may be reviewed by the Planning Board. Failure of the Applicants to secure site plan approval from the Planning Board within one year of the approval of this Contract by the Saco City Council shall render this Contract null and void. In the event that permits or approvals are delayed...
due to circumstances beyond the control of the Applicants, this one year deadline may be extended by one year upon written request to the City Council.

j. This contract and its provisions shall specifically and exclusively apply to the Contract Zone request submitted by the Applicants. Approval of this Contract Zone is in part based on the financial and technical qualifications of the Applicants as submitted to the City. A change in ownership prior to completion of the terms of this Contract may necessitate review and approval by the City Council. Determination of such shall be made by the Planning Office.

k. Failure of the Applicant to initiate the creation of up to four residential units as described in application materials for this Contract Zone within two (2) years of the date of approval shall render this Agreement null and void. Said two year period may be extended for a period of one (1) year upon written request to the Planning Office prior to termination of said two year period.

l. Breach of these conditions and restrictions by the developer shall constitute a breach of the contract, and the developer may be required to apply for a contract modification. Failure to apply for, or to obtain a modification shall constitute a zoning violation, subject to enforcement action.

III. Pursuant to authority found in 30A M.R.S.A. Section 4352 (8), and the City of Saco Zoning Ordinance, Section 230-1405A, and by vote of the Saco Planning Board on December 5, 2017, and the Saco City Council on ______, 2018, the following findings are hereby adopted:

A. City Tax Map 33, Lot 25 is a parcel of an unusual nature and location, for the following reasons:

1. The residence at 445 Main Street is a historically significant structure located in the R-1b zoning district and the City’s Historic Preservation District.

2. The residence was identified as the Paul Sands house as part of the City’s historic resources survey in 1995. The Second Empire-style structure was built around 1860, and the exterior retains much of its historic character.

3. The Subject Property abuts the B-2d zoning district to its north. Among the permitted uses in the B-2d zone are Offices, and Dwellings above the first floor in a mixed-use building.

B. The proposed rezoning is consistent with the Saco Comprehensive Plan, based on the following goals:

Chap. 5. B. The Local Economy -- While the goal of the City is to accommodate good quality commercial development in appropriate locations, the City is also interested in discouraging commercial use in inappropriate locations. Therefore, it is a policy of the City to avoid the location of commercial activities within residential neighborhoods except for strictly regulated home occupations, day care, or others with minimum impact. In addition, the City discourages the establishment of commercial enterprises along major streets except in those areas specifically designated for commercial use in the land use policies.

Within the built-up area of the City, residential neighborhoods often abut commercial areas. The City should restrict the expansion of commercial activity into established residentially zoned neighborhoods, should limit the use of residential streets for access to commercial activities, and should require buffering along the transition from commercial to residential use.

Chap. 6 Land Use Goals and Policies
Commercial Development 25. The City’s policy should be to resist designating other areas along the City’s major streets for commercialization. Even within those areas designated for commercial development, the City’s development standards should control the number of access points along these arteries to maintain their capacity to move traffic as safely and efficiently as possible.

The proposed use is consistent with the existing uses and permitted uses within the original zone. The original zone is the Residential-1b (R-1b) zone, a high density residential district “. . . designated for areas which are predominately single-family residential in character.” (Zoning Ordinance, Section 405-1.)

Among the permitted and conditional uses allowed in the R-1b zone are single and two-family dwellings, offices within existing buildings, accessory apartments, community living uses, churches, daycare centers, elderly congregate housing and bed and breakfast establishments.

Examples of uses in the vicinity of the subject property include Keller Williams Realty, Harbor View Lending, and Active Chiropractic (439 Main St.), Rite-Aid (461 Main St.), Thornton Academy (438 Main St.) and the Paul
Hazelton House (7 Smith Ln.), as well as single-family and multi-family dwellings. The property abuts the B-2d zone along its northerly property line.

D. The conditions proposed are sufficient to meet the intent of Section 230-1403, Contract Zoning, of the Saco Zoning Ordinance.

IV. Based on the above findings, conditions and restrictions, the City Council hereby incorporates this Contract Zoning agreement into the Saco Zoning Ordinance by reference. By signing this contract, both parties agree to abide by the conditions and restrictions contained herein.

Adopted by the Saco City Council on ___________, 2018.

by ______________________ by ______________________

Kevin L. Sutherland Lise D. Ouellette, Broker
City Administrator Berkshire Hathaway/Home Services,
NEPPI Applicant

C. SALE OF MILL BROOK BUSINESS PARK LOT #9

On February 14, 2018 the City of Saco received an offer for the purchase of Lot #9 (19 Mill Brook Road) in the Mill Brook Business Park. The offer of $442,000.00 has been reviewed by the Economic Development Commission without objection, and a Purchase and Sale for that amount has been signed.

A local company plans to build a 40,000 to 45,000 sq. ft. building on Lot 9. It is expected that the business will initially employ 67 people over the next three years, and add up to an additional 20 positions in that same three year period, yielding 87 positions to the City of Saco. The company offers all of their employees; health insurance, dental insurance, life insurance, a retirement savings plan, and short-term/long-term disability insurance.

Final approval for a sale must come from the City Council. Staff recommends the matter be discussed in Executive Session prior to any vote in public session.

This matter is appropriate for Executive Session based upon 1 MRS Section 405 (6) (c) which protects disclosure of details concerning the sale or acquisition of real property. Based upon information shared with City Staff, premature disclosure of the identity of this buyer will potentially adversely affect the party, and could jeopardize the undertaking.

This item was discussed with the City’s Economic Development Commission on February 20, 2018 and previously discussed with Council in Executive Session at their February 20, 2018 meeting.

Councilor Doyle moved, Councilor Minthorn seconded “Be it Ordered that the City Council enter into executive session, Pursuant to [M.R.S.A. Title 1, Chapter 13, Subchapter 1, §405(6) to discuss the purchase and sale of Lot 9 in Executive Session.” Mayor Lovell declared that the council would go into executive session. Time: 7:04 p.m.

Councilor Minthorn moved, Councilor Doyle seconded to come out of executive session at 7:09 p.m. The motion passed with seven (7) yeas.

Councilor Doyle moved, Councilor Minthorn seconded “Be it ordered that the City Council confirms and ratifies the Purchase and Sale Contract signed by the City Administrator on February 14, 2018 for the sale of commercial real estate, Lot #9 of the Mill Brook Business Park; and

“Be it further ordered that the City Administrator sign, execute and deliver those documents reasonably required to effectuate the sale of Lot 9; and

“Be it further ordered that identity of the Buyer for Lot 9 remain confidential until the closing on the sale of Lot 9 has been completed.” The motion passed with seven (7) yeas.
PURCHASE AND SALE AGREEMENT

NOW COME the parties, CITY OF SACO (hereinafter “The City” or “Seller”) a municipal corporation, 300 Main Street, Saco, Maine and owner of certain real property in said City (the “Premises”) and [redacted] ("Buyer") who agree as follows:

WITNESSETH:

1. **Agreement.** The City owns certain land comprising Lot 9 in its Mill Brook Business Park, comprising 11.8 acres of land, more or less, as shown on a certain Subdivision Plan for said Industrial Park as recorded in the York County Registry of Deeds, (see Plan Book 297, Page 42, as amended in Plan Book 378, Page 1 and in Book 391, Page 35) which the City agrees to sell and which Buyer agrees to buy for certain terms as set forth below.

2. **Financial Terms.**

   The Buyer agrees to pay the City Four Hundred Forty-Two Thousand and 00/100 U. S. Dollars ($442,000.00)

   A. Seven Thousand Five Hundred Dollars ($7,500.00) due upon execution of this Purchase and Sale as “earnest money” (money to be held by City’s Attorney); and

   B. The remainder of Four Hundred Thirty-Four Thousand Five Hundred and 00/100 U. S. Dollars ($434,500.00) due at closing.

3. **Personal Property/Fixtures.** This property is raw land, sold as is, where is, and without improvements thereon, and without warranty or guaranty as to fitness for use or future marketability.

4. **Earnest Money.** Prescott Jamieson Murphy Law Group, Seller’s Counsel, will hold the earnest money in its Attorney Trust Account subject to additional terms below. Said funds will be held in the firms “IOLTA” account subject to the terms and conditions regulating the same.

5. **Deed.** The City shall prepare and deliver the property by Quitclaim Deed. The City shall also prepare the Real Estate Transfer Tax Form for closing. The property shall be delivered free and clear of encumbrances except conditions, easements and restrictions of record which do not adversely affect title. The property shall be sold and conveyed strictly on an “as is”, “where is” and “with all defects” basis, without any express or implied representations, warranties or covenants of any kind whatsoever regarding condition (structural, environmental, mechanical or otherwise), past or present use, construction, development potential, future marketability, lease performance, investment potential, tax ramifications or consequences, income potential, compliance with law, habitability, tenancies, merchantability and fitness or suitability for any purpose.

6. **Possession/Occupancy.** Closing shall occur on or before April 15, 2018. Upon closing, Buyer shall be entitled to immediate occupancy of the property.

7. **Risk of Loss.** All risk of loss will be upon the City upon the execution of this Purchase and Sales Agreement and until closing.

8. **Inspection.** The Buyer shall have sixty (60) days following the execution of this Purchase and Sale Agreement to conduct any inspections it desires. It may access the Premises during this time period to conduct such inspections, including limited test borings, but it will restore the Premises to the condition found after any inspections or work. In the event that an adverse condition regarding the premises to be sold is found by Buyer, including environmental contamination, which impairs or limits the value or use of the Premises, then Buyer must share its results and findings with the City. The City shall have 10 days to review Buyer’s findings and determine what action it wishes to take. Seller may
either elect to remedy the condition at its cost, or it will notify Buyer that it opts not to remedy the condition, and it will offer back the Buyer’s earnest money. Buyer may thereupon opt to: 1) close notwithstanding the condition or defect, or 2) request a refund of its earnest money and terminate the Agreement, or 3) it may, at its cost, conduct further analysis including a so-called “Phase II” environmental review, to confirm the nature and extent of the condition. Again, results of any further review must be shared with the Seller. Buyer shall have 30 additional days to complete Option 3. Buyer shall thereupon choose to close notwithstanding the condition, or it may terminate the Agreement and receive its earnest money back. The Buyer is encouraged to seek the assistance of professionals regarding any inspections, and any specific issues of concern.

9. **Survival of Terms.** All of the terms and conditions of this Purchase and Sale shall survive the closing.

10. **Heirs, Successors and Assigns.** The Buyer is in the process of establishing a single asset—sole purpose Limited Liability Corporation to be named, (name to be determined) to own and develop this property. It is understood and agreed that this Agreement may be assigned to that to be established LLC once the appropriate organization documents for that entity have been issued by the [Blank]. Further, this Agreement may be assigned upon written consent of the City, which consent will not be unreasonably conditioned or withheld. The obligations herein shall extend to and bind each Parties heirs, personal representatives, officers, successors, and assigns.

11. **Governing Law.** This Purchase and Sale is a Maine contract, and shall be governed by the laws of the State of Maine. Any dispute involving or arising out of this contract shall be settled by binding mediation in Saco or Portland, Maine by using a mediator jointly selected by the Parties. Each Party will be responsible for its own attorney’s fees, and such fees may not be a part of any mediation decision.

12. **Pro-Rataion of Taxes, etc.** There are no real estate taxes due at closing. Exhibit Each party, however, is responsible for its share of any transfer taxes arising from this sale.

13. **Default.** In the event of default by the Buyer, the City may retain the earnest money as remedy. In the event of default by the City, the Buyer may employ all legal and equitable remedies including specific performance.

14. **Other Conditions:**

   A. The lots for sale in Mill Brook Business Park, including Lot 9 here, are encumbered by certain covenants and restrictions including certain environmental covenants which have been recorded with the subdivision plan. Said restrictions shall apply throughout the Industrial Park uniformly to all lots in the Mill Brook Business Park, including Lot 9.

   B. Buyer obtaining by March 30, 2018 all required federal, state and local governmental approvals or permits needed to allow the construction of a forty-five thousand (45,000) square foot or greater, building on the subject lot.

   C. Approval by the City of Saco Economic Development Commission and the Saco City Council to sell the lot for the proposed sales price set out in Section 2 above.

   D. **Financing:** Notwithstanding anything to the contrary contained in this Contract, Buyer’s obligation to close hereunder is conditioned upon Buyer providing, within 45 days after its execution, adequate assurances of sufficient financial resources to complete the purchase. Buyer shall also provide a written commitment from a lender for a mortgage loan of not less than eighty percent (80%) of the total estimated project costs at an initial interest rate not to exceed six and one-half percent (6.5%) per annum, amortized over a period of not less than twenty (20) years. In the event the Buyer is unable to obtain a borrowing Commitment within 45 days and Buyer notifies Seller thereof by end of the 45th day, then Escrow Agent shall immediately return the earnest money to Buyer, this Contract shall terminate, and neither party shall be under any further obligation under this Contract. It shall be a further condition of Buyer’s obligation to close hereunder that the Commitment shall not lapse, be terminated and/or withdrawn prior to the Closing Date for any reason whatsoever, including but not limited to the property failing to appraise at or above the Purchase Price. In the event the Commitment shall lapse, be terminated and/or withdrawn by Buyer’s lender for any reason (other than at the request of Buyer) at any time prior to the Closing Date, Buyer shall within three (3) days of its receipt of notice of lapse, termination and/or withdrawal notify Seller of same, and upon such notification either Party may elect to terminate this Contract and thereafter the earnest money immediately shall be returned to Buyer and neither party
As part of the budget process for fiscal year 2017, employee benefit lines were distributed across departments to more accurately display the true cost of personnel within each department. However, an unintended consequence with this methodology was that if an employee in a department had wages distributed across other departments, additional benefit lines had to be created. This generated an inflated number of account lines resulting in 9 line items becoming 276 line items. This level of complexity creates difficulty in executing payroll and forecasting cost changes effectively, and furthermore does not provide significant improvement in cost modeling for the budget process. The Finance Director suggests the reconsolidation of the employee benefit line items back to the original 9 accounts for the last two fiscal years so that the budget document is consistent across all years, and removes any further confusion.

Councilor Archer moved, Councilor Copeland seconded “Be it Ordered that City Council approve the second and final reading of ‘Budget Amendment #4 FY2018’.” Further move to approve the order. The motion passed with five (5) yeas and two (2) nays – Councilors Doyle and Minthorn.

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Notes: This is an account clean up. Because it is outside the budget process, it requires Council approval as a budget amendment.
E. BUDGET AMENDMENT #5 FY2018 – WRRD CONSOLIDATION – (FINAL READING)

In 2016, 3 Impact Fees (CSO, Sewer, and Subsurface) were separated from the WRRD Enterprise fund to better understand available funds for projects related to each of the impact fees. Unfortunately, this breakout provided no incremental analytical information to the City Council or Public. Financial statements in the CAFR blended the WRRD funds together and the Annual Budget Process only included a very vague spending target for Impact Fee funds. The Finance Director is recommending that we reconsolidate the 3 Impact Fee funds back into the main WRRD Enterprise fund, with the understanding the Impact Fee accounts will follow a similar rollover process as the Capital Plan. This involves annually rolling balances on Impact Fee revenue accounts to corresponding Impact Fee Expense Accounts, with supplemental projects built out and reviewed annually, as part of the close of year process.

Councilor Minthorn moved, Councilor Smart seconded “Be it Ordered that City Council approve the second and final reading of ‘Budget Amendment #5 FY2018’.” Further move to approve the order. The motion failed with four (4) yeas and three (3) nays – Councilors Minthorn, Doyle and Archer.

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Notes:

F. BUDGET AMENDMENT #6 FY2018 – CALL FIRE RETIREMENT FUND – (FINAL READING)

In 2005, the City Council approved the creation of a retirement fund for call firefighters. The fund was to receive $8,000 annually with a balance forecasted to be $45,747.28 by the time the first drawdown occurred in 2010. However, no separate fund was created.

Therefore, the balance on the contribution has mingled with the general fund balance at the end of each Fiscal Year. Based on the history of the two accounts, the City of Saco has a balance of $71,433.89, as of the end of FY2017 for this initiative. The incremental $32,869.25 versus forecasted value is due to the significantly lower than predicted drawdown since 2010.

The Finance Director is recommending the creation of a new special revenue fund dedicated to the Call Fire Retirement. The available balance from FY2017 and all expenditures and revenues tied to this account for FY2018 would be redirected to this new fund.

Councilor Gay moved, Councilor Minthorn seconded “Be it Ordered that City Council approve the second and final reading of ‘Budget Amendment #6 FY2018’.” Further move to approve the order. The motion passed with seven (7) yeas.

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<tr>
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| **Net change** |                  | **$0**                    |
G. BUDGET AMENDMENT #7 FY2018 – SCHOOL DEPARTMENT FUND – (FINAL READING)

The City of Saco chose to withdraw from the Regional School Unit in Fiscal Year 2014. As a result, of that withdrawal, the City of Saco owed $889,809 in debt at that start of FY2015. Over the course of the last several years, the School Department has tried to reduce that debt without success. At the close of FY2017, the School Department Fund Balance was -$1,603,903.

The School Administration has indicated that they are committed to finding $516,000 in savings or from additional revenues in the current year to reduce this deficit to -$1,087,903 by the close of FY18.

To reduce the deficit to zero, the City Council will need to make a one-time budget amendment/transfer of $1,087,903 from the General Fund’s Unassigned Fund Balance to the School Fund.

This Council action would have no impact on the property tax.

Councilor Smart moved, Councilor Doyle seconded “Be it Ordered that City Council approve the second and final reading of ‘Budget Amendment #7 FY2018’ and authorize the Finance Director to amend the FY2018 budget as written.” Further move to approve the order. The motion passed with seven (7) yeas.

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Net change $0

H. BUDGET AMENDMENT #8 FY2018 – UNIT 91 – (FINAL READING)

During the 2018 budget process, city staff were operating under the assumption that Unit 91 would have been sold prior to the close of the fiscal year. Therefore, no budget was established.

As of the end of January 2018, the City has spent $67,525 to keep current with condo association fees, utilities, and other repairs. At the February 5th meeting, the Saco City Council approved a monthly spending cap from now until the sale of the property. It can be assumed that if the property stays with the City through June, costs will likely reach an additional $60,000.

Given this information, the City Administrator is asking for a budget amendment of $127,525 from the unassigned fund balance, to cover the costs associated with the property.

This Council action will have no impact on the property tax.

Councilor Johnston moved, Councilor Doyle seconded “Be it Ordered that City Council approve the second and final reading of ‘Budget Amendment #8 FY2018’.” Further move to approve the order. The motion passed with seven (7) yeas.

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Net change $0
I. **BUDGET AMENDMENT #9 FY2018 – PLANNING DEPARTMENT – (FINAL READING)**

Saco’s City Planner has announced his intent to retire before the end of the fiscal year. One of the eight primary goals identified by the Council for the next two years is to “Review, Fund, and Develop a Strategic Recruitment, Retention, and Succession Plan”. From a succession planning and knowledge acquisition standpoint, it would be prudent of the City to have some period of overlap in the position through the remainder of the fiscal year.

City Administration is requesting that these funds be drawn from the Unassigned Fund Balance to fund this position through the end of the fiscal year.

Councilor Copeland moved, Councilor Smart seconded “Be it Ordered that City Council approve the second and final reading of ‘Budget Amendment #9 FY2018’.” Further move to approve the order. The motion passed with seven (7) yeas.

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J. **BUDGET AMENDMENT #10 FY2018 – FIRE DEPARTMENT – (FINAL READING)**

The City of Saco’s Fire Department is anticipating a budget shortfall in its overtime line. This is the result of numerous staff being out due to retirement, medical leave, and other personnel matters. Many of these events cannot be planned for (or budgeted for) and do not reduce wages lines. Therefore, savings that can usually be quantified elsewhere in the department’s budget are not attainable.

These resources would be pulled from the unassigned fund balance and used to increase the overtime account line in the fire department budget.

Councilor Gay moved, Councilor Minthorn seconded “Be it Ordered that City Council approve the second and final reading of ‘Budget Amendment #10 FY2018’.” Further move to approve the order. The motion passed with seven (7) yeas.

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<thead>
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<th>Name of Account</th>
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<td></td>
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K. **BUDGET AMENDMENT #11 FY2018 – CITY HALL/ANNEX RENOVATION**

Over the last two years, departments that provide direct services to the community have been relocated to the first floor in City Hall to improve the customer experience. The departments located on the first floor include: Assessment, City Clerk, Code Enforcement, Economic Development, General Assistance, Finance, and Planning. To continue this level of service, improve workflow, and support ergonomic modifications, some additional resources are needed to update the two buildings and create sufficient office space. It is estimated that the improvements required will cost around $75,000, with the use of inhouse staff to offset some of these costs.
There is currently $53,535 in the Capital Program for City Hall Improvements. $15,000 of which was allocated as part of the FY18 budget for additional improvements to the audio and visual system. The remaining $38,535 would fall to the unassigned fund balance at the close of FY18 (remaining funds from roof work and heating system upgrades) if these renovations/upgrades are not made.

The additional $36,465 use of reserves would enable the Facilities division to make needed updates to city hall and the annex to accommodate the growth in our organization. This item was discussed in the February 20th Workshop. Council action would have no impact on the property tax.

Councilor Archer moved, Councilor Minthorn seconded “Be it Ordered that City Council approves the first reading of ‘Budget Amendment #11 FY2018’ and moves to schedule a second and final reading for March 19, 2018.” Further move to approve the order.

TABLED – Councilor Copeland moved, Councilor Johnston seconded to table this item until the next workshop on March 19, 2018. The motion passed with seven (7) yeas.

<table>
<thead>
<tr>
<th>Name of Account</th>
<th>Account Number</th>
<th>Current Budget 2017-2018</th>
<th>Received to Date</th>
<th>Adjustment Request</th>
<th>Amended Dept. Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Draw On Fund Balance</td>
<td>10350/300800</td>
<td>$(809,870)</td>
<td>$0</td>
<td>$(36,465)</td>
<td>$(846,335)</td>
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<td>Capital Program – City Hall</td>
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<td>Net change</td>
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</table>

L. BUDGET AMENDMENT #12 FY2018 – STAFF DEVELOPMENT

One of the eight primary goals identified by the Council for the next two years is to “Review, Fund, and Develop a Strategic Recruitment, Retention, and Succession Plan.”

City Administration is committed to working with the Mayor and City Council to develop a strategy that includes an employee training program as one way to enhance retention. City Administration has identified several leadership training opportunities and is asking Council to support the utilization of the unassigned fund balance to launch this effort.

Councilor Copeland moved, Councilor Gay seconded “Be it Ordered that the City Council approves the first reading of ‘Budget Amendment #12 FY2018’ and moves to schedule a second and final reading for March 19, 2018.” Further move to approve the order. The motion passed with seven (7) yeas.

<table>
<thead>
<tr>
<th>Name of Account</th>
<th>Account Number</th>
<th>Current Budget 2017-2018</th>
<th>Received to Date</th>
<th>Adjustment Request</th>
<th>Amended Dept. Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Draw On Fund Balance</td>
<td>10350/300800</td>
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M. BUDGET AMENDMENT #13 FY2018 – FINANCE AND HUMAN RESOURCES

The City of Saco has experienced staffing and organizational changes in Finance and Human Resources. These unexpected expenditures have been charged to the Administration Department in the interim, artificially straining the Administration budget. City Administration is requesting to have the City Council allocate $41,000 from the Unassigned Fund Balance to offset these expenses.

Councilor Minthorn moved, Councilor Gay seconded “Be it Ordered that City Council approves the first reading of
‘Budget Amendment #13 FY2018’ and moves to schedule a second and final reading for March 19, 2018.” Further move to approve the order. The motion passed with seven (7) yeas.

<table>
<thead>
<tr>
<th>Name of Account</th>
<th>Account Number</th>
<th>Current Budget 2017-2018</th>
<th>Received to Date</th>
<th>Adjustment Request</th>
<th>Amended Dept. Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Draw On Fund Balance</td>
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<td>Finance – advertise</td>
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<td>Finance – audit</td>
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**VIII. COUNCIL DISCUSSION AND COMMENT**

- **Councilor Doyle** – Before the meeting tonight I handed out a packet that deals with proposed blasting requirements in use. This is an issue that I have been dealing with in my ward which many of you have been talked to by constituents of mine. I hope you will support this and me in moving this forward so that the City Administrator will bring it before the Planning Board and start it on the process to becoming a city ordinance. In addition, you will see that the last attachment is a look to change one of our current city chapters, Chapter 149 and amend the noise ordinance on construction and maintenance. Mayor Lovell asked City Administrator Kevin Sutherland to put this on the Workshop agenda for April 2nd. This should have gotten through the board with a recommendation by then. We can have a Public Hearing at the end of April and a Second & Final Reading in May. Councilor Doyle noted that this was to address that fact that we don’t have a plan in place that addresses this which is baffling to me since the issue came up in 2004 and I’m sure it came up prior to that. Mayor Lovell noted that it did not come up while he was on the Council and there have been 2-3 different councilors from your ward in that time frame.

- **Councilor Smart** – Earlier today Councilor Johnston inquired about the location of sale proceeds from property sales. While I was reading item #G it occurred to me that we are removing a significant amount of money from the general fund. Those funds from the upcoming sale might we used to offset some of those, so at the appropriate time I would like to hear the upcoming needs for those funds in the EDF and if not possibly look into putting those funds instead of in the EDF into the General Fund. Mayor Lovell stated that a workshop on that could be done on March 19th and examine in detail and identify the best utilization of those funds. We will expect a report Mrs. Salas and Mr. Sutherland on that.

- **Councilor Minthorn** – Just a tag on what Councilor Smart was saying. We do need to be strongly considering a new I-4 Zone as our lots are running out in the I-1, I-2 and I-3. Mayor Lovell noted that he is very anxious about that and has had conversations with interested people. I think you are right on with that. Mayor Lovell asked City Administrator Kevin Sutherland whether the city needed to go into executive session to actually talk about details? Mr. Sutherland confirmed that they would need to go into an executive session. Mayor Lovell asked that it be on the April 2nd Council agenda.

- **Councilor Copeland** – I’d like to talk about the erosion in Camp Ellis. There are allot of people concerned about this and rightly so and they want to know what is going on. There was a good discussion at the beginning of this meeting that covered allot of that. I want everyone to know that the solution will depend on appropriation of funds in congress. So, I suggest that anyone and everyone write letters to the editor, e-mail your senators, congressman and federal delegation and let’s not fall off their radar. Just because there are storms now, let’s not let the swell go down. Let’s keep the pressure on because this is really important to us and the entire city. Some people say “well the rich people lost their houses”, “well they built on the beach”, but I would like to explain what happened. The Army Corp of Engineers put in the jetty. It has been determined and they have admitted that it was a wrongful act and the waves come in and hit the jetty and pull the sand out. It used to be that the sand would come in and go out on a summer and winter rotation and with the wave action now the sand is gone. Before the jetty there was 400 more feet of land there. There were streets and there were houses. There was a railroad track and dunes. So when people say “well you shouldn’t build right on the beach” well they weren’t on the beach originally. So, it is really important and the City of
Saco has lost 38 houses into the water and off of our tax rolls. We are talking about taxes and trying to get more revenue. We have lost allot of revenue from these nice houses down near the beach, on and some are in. It is a very big problem and I does need to be addressed. So, please keep the pressure on and let your federal delegation know that you care.

IX. EXECUTIVE SESSION

Councilor Minthorn moved, Councilor Doyle seconded to go into the Executive Session. The motion passed with seven (7) yeas. Time: 8:09 p.m.

Councilor Minthorn moved, Councilor Doyle seconded “Be it Ordered that the City Council enter into executive session, Pursuant to [M.R.S.A. Title 1, Chapter 13, Subchapter 1, §405(6):

C. Real Estate and Economic Development Negotiations: Mill Brook Business Park (discussed as part of agenda item C);
D. Labor negotiations: Teamsters Local 340 (Clerical Unit, Public Safety Support Unit, Public Works, and WRRD), Saco Professional Firefighters Association IAFF Local 2300, and the Maine Association of Police (Saco Police Command Unit and the Saco Police Patrol Unit);
E. Consultation with its attorney concerning pending or contemplated litigation.

Further move to approve the order. The motion passed with seven (7) yeas.

X. REPORT FROM EXECUTIVE SESSION

Councilor Minthorn moved, Councilor Doyle seconded to come out of executive session at 9:26 p.m. The motion passed with seven (7) yeas.

All the Councilors were present.

Items #C & #E – There was no report this evening.

Item #D – A follow up Executive Session on this matter will occur on April 2, 2018.

XI. ADJOURNMENT

Councilor Minthorn moved, Councilor Doyle seconded to adjourn the meeting at 9:27 p.m. The motion passed with seven (7) yeas.

Attest: ____________________________________________
Michele L. Hughes, City Clerk