

State of Maine

County of York

City of Saco

I. CALL TO ORDER On Monday, February 4, 2019 at 6:30 p.m. a Council Meeting was held in the City Hall Auditorium.

II. RECOGNITION OF MEMBERS PRESENT - Mayor Marston Lovell introduced the members and determined that the Councilors present constituted a quorum. Councilors present: Marshall Archer, Roger Gay, William Doyle, Lynn Copeland, Alan Minthorn, Micah Smart, Nathan Johnston. City Administrator Kevin Sutherland was also present.

III. PLEDGE OF ALLEGIANCE

IV. GENERAL

A. Mayor Lovell expressed his thanks to the three individuals who returned the Memorial Park Plaque to the City. The plaque will now be secured in a large block of granite.

V. PUBLIC COMMENT

A. Barbara Colman of 45B Stockman Avenue said that she had sent the Mayor, Council Members and City Administrator last minute details about the Senior Program and the various taxes and reminded the Mayor that she had given him a hand-out sheet for the Council for this evening, otherwise everything was in the packet.

Ms. Colman said that the Senior Program had been worked on for a number of years. She had understood from the Mayor and the City Administrator that this program would be resolved. She said that she wanted to give some figures, all of which she did not have at this point, because the last figure is very complicated. She said that at the current time, because the City has intentionally not issued W-2's from 2009 to 2017, without interest, the City owes the IRS \$85,960.00 for failure to issue W-2's to the seniors in the program. This also means that the seniors have not been able to file their taxes and received their earned income credit rebate money. So, the seniors are being hurt.

The FICA Medicare chart shows that the City owes \$49,371.75. She said that she did not have the amount regarding the City's failure to file 941's. She said that earlier today, she had spoken to someone in the IRS fraud division. She said that this person had turned her over to another IRS department, and that she would be sending all of her information to them. This has to be solved and the IRS told her that this is now close to a half million dollar problem, based on her numbers. She asked the question of what could be done with a half million dollars right now?

Ms. Colman said that the longer this issue goes on before being rectified, the more taxes the City will have to pay, and at this point, City Leadership cannot say that they did not know. She said that right here, are two amounts of \$135,000.00, just over the City Administrator's yearly salary. So, if the Mayor and Council believe these amounts are immaterial at this point, wait until the last calculation comes in and the IRS becomes involved, because they won't take it lightly. She said she had commitments from the Mayor on two occasions that this issue would be taken care of, and asked if he could not accomplish this effort that someone is willing to help him with, to save the taxpayers money. She concluded by saying that a half million dollars is a lot of money, her charts, graphs and figures had been forwarded to them, and that she would be happy to help with this effort whenever called upon.

B. John Harkins of 4 Christopher Terrace said that the agenda for this evening was loaded with nine public hearings, and other matters, which seems to happen each time a new budget season begins, which is the most important matter that the Council can pursue. He said that it sometimes feels as if the citizens are getting "lip service" for this important process. A couple of weeks ago, he had mentioned to the Mayor the confusion that exists around the publication of meetings. He said that today, he had the experience of trying to find this evening's agenda and the accompanying materials. After searching for quite some time, he requested help. He asked if everyone knew the process of checking off a box on the website to enable the viewer to find the agenda.

Mr. Harkins said that there are no handouts or back-up material regarding tonight's budget presentation. He asked how is the public expected to participate or to learn what is going on in city government? He said that this was not a friendly government. He said that the important point is that "we have to be concerned about our presentations, communicating with the public, and to let the people know what is going on." He said that those things are not currently happening, and that the city government is not currently a transparent operation.

VI. CONSENT AGENDA

A. Confirm Mayor's Appointment to the Coastal Waters Commission – Alan E. Shepard

B. Approval of Minutes for May 21, 2018, November 13, 2018, and January 22, 2019.

Councilor Copeland Moved, Councilor Gay Seconded to approve the Consent Agenda Items A and B and Be it Ordered that the City Council confirm the Mayor's Appointment of Alan E. Shepard as a full member of the Saco Coastal Waters Commission, for a three-year term ending on February 4, 2022. The Motion Passed with seven (7) Yea's.

VII. AGENDA

A. Joint Budget Overview and Directive Presentation

AGENDA ITEM: A

General Fund Budget Update February 4, 2019

- 1 **Overall Summary** - This report is being pulled a few days early to accommodate the Budget Update joint workshop for the first Monday of February. Therefore, some of these numbers may be subject to minor adjustments. January has been a slow month thus far with expenditures at 55% of the budget versus 58.3% of the year elapsed. While the city waits to collect the second half of property taxes, due in March, the Net Operating Income has gone into the negative at \$1.7 million. Thanks to a strong fund balance at the start of the year, the city's unassigned fund balance is still above 8%. Once the second half of taxes are collected, we will have a better sense of how the Unassigned Fund Balance will look at the close of the year.
- 2 **City Clerk** - 61.1% of budget spent. this budget is still tracking ahead because of election costs paid all together in November as well as the completion of the vital record book preservation project. We do not expect this department to end the year over budget.
- 3 **Contingency & County Tax** - 84.8% & 99.2% of budget spent. The purchase of Clair Parcels (Contingency) and payment of County Tax in full occurred as lump sums in Q1. These budgets should not be overspent at years' end.
- 4 **Council** - 73.8% of budget spent. Q3 Salaries were paid ahead of schedule and Miscellaneous expense is tracking ahead at 76.8% of budget spent. Holding the line on Miscellaneous expense and possibly reducing purchase of supplies will ensure this department comes in under budget.
- 5 **Information Technology** - 76.8% of budget spent. Thanks to liquidating a few POs, this department is down from 77.5% of budget spent as reported in December's review. Another \$20,000 or so can be liquidated from the PO, which we will work towards in the next couple weeks. Software purchases are typically up front in Q1, which is why this budget is tracking ahead.
- 6 **Parks & Recreation** - 64.8% of budget spent. This is due to seasonality. Please note that the actual versus target is down to \$112K from \$148K in last month's update.
- 7 **Solicitor** - 68.8% of budget. We have a number of bills coming in that are TIF related, which will be moved to the appropriate TIF funds later in the year. That should help alleviate the pressure on this line.
- 8 **Supported Entities** - 72.1% of budget spent. Several more requests for yearly payments came in. Eastern Trail, Saco Main Street, Saco River Corridor, Seeds of Hope, TATV, TriCity Transit, and York County Community Action have all been paid in full.
- 9 **Building Rentals & Cable Franchise & City Clerk** - 44.2% & 27.1% & 44.8% of revenue received. These items are still tracking behind for the same reasons discussed in our last update.
- 10 **Parks & Recreation** - 46.5% of revenue received. Parks & Rec receives much of its fee revenue for summer programming in May and June, which is why this item is tracking behind.
- 11 **Police Department** - 54.5% of revenue received. Winter is a slower season in terms of revenue. We expect this line to pick up when the weather gets warmer.
- 12 **Transfers & Unallocated** - 35.4% and 23.0% of revenue received. Most transfer revenue occurs at the end of the year. A portion of this is related to the reallocation of TIF fund uses, which will be discussed next Monday evening. The shortfall on Unallocated revenue is more than compensated for by interest revenue year to day, which is \$145K ahead of budget.

February 4, 2019

General Fund Budget Update						Target through January		February 4, 2019	
Net Operating Income (Use of Fund Balance) (1,696,547)						58.3%			
plus Use of Designated Fund Balance 16,407									
less Increase in Designated Fund Balance (32,437)									
Net Change in Undesignated Fund balance (1,712,577)									
plus Undesignated Fund balance beginning of Year 6,289,422						11.27% of Adopted budget			
Fund	City General Fund	Designated Fund Balance Curr	4,576,845	8.20% of Adopted budget**					
Type	Department	FY2018 Actual	FY2019 Adopted	FY2019 Budget	FY2019 Actual	FY2019 Encumb	FY2019 Total	% of Budget Spent	Actual vs. Target*
Revenue	Assessor	3,292	0	0	19,526	0	19,526		19,526
	Budgeted Use Of Surplus	0	190,130	617,487	0	0	0	0.0%	
	Building Rentals	67,066	55,990	55,990	24,775	0	24,775	44.2%	(7,885)
	Cable Television Franchise	358,422	274,860	274,860	74,462	0	74,462	27.1%	(85,873)
	City Clerk	112,507	131,664	131,664	59,021	0	59,021	44.8%	(17,782)
	Code Enforcement	628,619	434,126	434,126	363,504	0	363,504	83.7%	110,264
	Federal Assistance	0	0	0	(333,429)	0	(333,429)		(333,429)
	Finance	149,803	139,856	139,856	79,550	0	79,550	56.9%	(2,033)
	Fire/Ambulance	0	0	0	0	0	0		0
	Fringe Benefits	(30)	0	0	0	0	0		0
	Interest Earnings	219,137	228,880	228,880	259,828	0	259,828	113.5%	126,315
	Parks & Recreation	903,474	920,184	920,184	427,921	0	427,921	46.5%	(108,853)
	Planning & Econ Dev	77,609	75,000	75,000	67,519	0	67,519	90.0%	23,769
	Police Department	143,660	146,444	146,444	79,777	0	79,777	54.5%	(5,649)
	Public Works	4,457,901	4,282,797	4,282,797	2,628,518	0	2,628,518	61.4%	130,220
	Real And Personal Property	42,052,752	44,601,051	44,601,051	23,628,169	0	23,628,169	53.0%	(2,389,111)
	Sale Of City Assets	7,818	10,000	341,012	336,026	0	336,026	98.5%	137,103
	State Assistance	2,624,895	2,697,082	2,697,082	1,953,050	0	1,953,050	72.4%	379,752
	Transfers	1,024,487	1,544,461	1,544,461	546,804	0	546,804	35.4%	(354,132)
	Unallocated	2,660	58,843	58,843	13,506	0	13,506	23.0%	(20,819)
Revenue Total		52,834,075	55,791,367	56,549,736	30,228,530	0	30,228,530	53.5%	

*Target is a calculated value based on the % of year elapsed.

**This does not necessarily represent available funds as some portion must be held back for expenses through the year.

February 4, 2019

General Fund Budget Update					Target through January			February 4, 2019	
Net Operating Income (Use of Fund Balance)					(1,696,547)	58.3%			
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less Increase in Designated Fund Balance					(32,437)				
Net Change in Undesignated Fund balance					(1,712,577)				
plus Undesignated Fund balance beginning of Year					6,289,422	11.27% of Adopted budget			
Fund	City General Fund	igned Fund Balance Curr			4,576,845	8.20% of Adopted budget**			
Type	Department	FY2018 Actual	FY2019 Adopted	FY2019 Budget	FY2019 Actual	FY2019 Encumb	FY2019 Total	% of Budget Spent	Actual vs. Target*
Expense	Assessor	194,032	212,888	214,525	85,561	0	85,561	39.9%	(39,578)
	Building Maintenance	106,555	133,582	134,062	66,359	0	66,359	49.5%	(11,844)
	Capital Projects	3,316,646	2,804,971	4,757,925	1,625,222	800	1,626,022	34.2%	
	City Administration	288,501	365,096	392,965	217,206	0	217,206	55.3%	(12,024)
	City Clerk	301,768	316,609	340,428	203,398	4,547	207,945	61.1%	9,362
	Code Enforcement	333,617	307,465	310,852	158,381	122	158,504	51.0%	(22,827)
	Contingency	301,728	165,482	832,987	706,415	0	706,415	84.8%	220,505
	Council	15,361	16,627	16,977	12,536	0	12,536	73.8%	2,633
	County Tax	1,293,389	1,206,722	1,206,722	1,197,241	0	1,197,241	99.2%	493,319
	Federal Assistance	0	0	0	0	0	0		0
	Finance	478,468	468,562	472,346	251,555	0	251,555	53.3%	(23,980)
	Fire/Ambulance	3,099,819	3,228,186	3,310,713	1,872,150	18,814	1,890,964	57.1%	(40,285)
	Fringe Benefits	3,722,906	4,366,537	4,324,628	1,835,314	0	1,835,314	42.4%	(687,386)
	Human Resources	140,069	180,125	202,733	101,862	20,000	121,862	60.1%	3,602
	Information Technology	430,522	543,871	668,200	393,854	115,998	509,852	76.3%	120,068
	Insurance	226,506	203,750	203,750	10,334	0	10,334	5.1%	(108,520)
	Overlay	0	0	0	0	0	0		0
	Parks & Recreation	1,616,770	1,705,835	1,743,143	1,129,246	0	1,129,246	64.8%	112,413
	Planning & Econ Dev	391,278	477,067	483,933	197,748	2,045	199,793	41.3%	(82,501)
	Police Department	3,791,620	3,930,056	3,970,250	2,221,683	7,139	2,228,822	56.1%	(87,158)
	Public Works	5,425,046	5,458,871	5,668,365	2,908,401	363,461	3,271,862	57.7%	(34,685)
	School Budget	23,706,762	27,267,360	27,267,360	15,905,960	0	15,905,960	58.3%	(0)
	Solicitor	165,871	141,670	145,966	100,381	0	100,381	68.8%	15,234
	Supported Entities	838,334	966,269	976,469	699,270	5,200	704,470	72.1%	134,863
	Transfers	2,516,859	1,323,765	1,348,765	25,000	0	25,000	1.9%	(761,780)
Expense Total		52,702,426	55,791,367	58,994,065	31,925,077	538,126	32,463,203	55.0%	

*Target is a calculated value based on the % of year elapsed.

**This does not necessarily represent available funds as some portion must be held back for expenses through the year.

Note: The Joint City Budget and School Budget Presentation can be found on the City's website under the Finance Department – Budget Materials.

Councilor Johnston Moved, Councilor Smart Seconded to direct the City Administrator to develop a version of the Fiscal Year 2020 Budget that maintains current city efforts, and further direct the City Administrator to make use of a moderate valuation increase of thirty-five million dollars in modeling the impact of any budget action on the property tax rate.

Councilor Copeland Moved, Councilor Doyle Seconded to Table the motion until the February 11, 2019 Council Meeting.

The Motion to Table passed, with five (5) Yea's and two (2) Nays, Councilors Smart and Johnston voting in the minority.

B. (Public Hearing) Credit Enhancement Agreement between City of Saco, Maine and Nikel Precision Group, LLC.

The terms of this proposed Credit Enhancement Agreement are as follows: 60% of the TIF revenue generated from this development to Nikel Precision Group with 40% of the TIF revenue to the City from 2019 to 2027, then 50% of TIF revenue of this development to Nikel Precision Group and 50% of the TIF revenue to the City from 2028 to 2035, and 30% of the TIF revenue from this development to Nikel Precision Group and 70% to the City from 2036 to 2045. Staff provided additional background information at the January 14th workshop and for the first reading on January 22nd. On January 22nd, the Council moved to schedule a public hearing on this item. The public hearing notification was published in *The Journal Tribune* on January 24, 2019, and a copy of this credit enhancement agreement has been on file with the City Clerk's Office for public inspection. The Council Order is as follows: "The City Administrator is hereby authorized and directed to enter into a credit enhancement agreement with the Nikel Precision Group, LLC in substantially the form as presented to the City Council."

Councilor Doyle moved, Councilor Gay seconded to open the public hearing on the Credit Enhancement Agreement between City of Saco, Maine and Nikel Precision Group, LLC.

Motion Passed with seven (7) Yea's.

There was no public comment.

Councilor Doyle Moved, Councilor Smart Seconded to close the public hearing, and further move to schedule the final reading of the Order regarding the approval of entering into a Credit Enhancement Agreement between the City of Saco, Maine and Nikel Precision Group, LLC in substantially the form presented to the Council for February 19, 2019.

Motion passed with seven (7) Yea's.

CREDIT ENHANCEMENT AGREEMENT

between

CITY OF SACO, MAINE

and

NIKEL PRECISION GROUP, LLC

DATED: April 1, 2019

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DRAFT

THIS CREDIT ENHANCEMENT AGREEMENT, made and entered into as of April 1, 2019 by and between the **City of Saco** (the "City"), a municipal corporation and political subdivision of the State of Maine located in York County, Maine, and **Nikel Precision Group, LLC** (the "Developer"), a Maine limited liability company with an address of 19 Mill Brook Rd, Saco, Maine 04074;

WITNESSETH THAT

WHEREAS, the City designated the Maine Molecular Quality Controls Omnibus Municipal Tax Increment Financing District (the "District"), pursuant to Chapter 206 of Title 30A of the Maine Revised Statutes, and approved a municipal development program and financial plan for the District (the "Development Program") on January 5, 2015. The District and Development Program were approved by the State of Maine Department of Economic and Community Development (the "Department") on March 20, 2015; and

WHEREAS, on November 20, 2017, the City approved the First Amendment to the District (the "First Amendment") and such First Amendment was submitted to the Department on December 17, 2018; and

WHEREAS, on February 19, 2019, the City approved the Second Amendment to the District (the "Second Amendment"), renaming the District the **Mill Brook Omnibus Municipal Tax Increment Financing District** and amending the project list; and

WHEREAS, the First and Second Amendments were approved by the Department; and

WHEREAS, the approved Development Program for the District provides that in the discretion of the City up to one hundred percent (100%) of the Tax Increment Revenues generated by new development within the District may be returned to the Developer during the remaining term of the District, pursuant to a credit enhancement agreement, for the purpose of defraying the Developer's project costs; and

WHEREAS, the City and the Developer have agreed as to the portion of the Tax Increment Revenues associated with the Developer's Project (as hereinafter defined) that will be returned to the Developer; and

WHEREAS, the City and the Developer desire and intend that this Credit Enhancement Agreement be and constitute the credit enhancement agreement contemplated by the Development Program; and

WHEREAS, as required by Section 3.05 of the Development Program and the Department approval, the City held a public hearing on February 4, 2019 at which the provisions of this Credit Enhancement Agreement were approved;

NOW, THEREFORE, in consideration of the foregoing recitals and in consideration of the mutual promises and covenants set forth herein, the parties hereby agree as follows:

ARTICLE I DEFINITIONS

Section 1.1. Definitions.

The terms defined in this Article I shall, for all purposes of this Agreement, have the meanings herein specified, unless the context clearly requires otherwise:

“Act” means chapter 206 of Title 30-A of the Maine Revised Statutes and regulations adopted thereunder, as amended from time to time.

“Agreement” shall mean this Credit Enhancement Agreement between the City and the Developer dated as set forth above, as it may be amended from time to time.

“Captured Assessed Value” means the amount, stated as a percentage, of Increased Assessed Value that is retained in each Tax Year during the term of the District, as specified in section 2.3 hereof.

“Commissioner” means the Commissioner of the Department of Economic and Community Development.

“Current Assessed Value” means the then-current assessed value of all taxable real property constituting Developer’s Project within the Developer Property as determined by the City’s Assessor as of April 1st of each Tax Year during the term of this Agreement.

“Department” shall have the meaning given such term in the recitals hereto.

“Developer” shall have the meaning given such term in the first paragraph hereto.

“Developer Project” means the manufacturing facility and related site improvements to be constructed by Developer at Developer Property and originally consisting of a facility of approximately 40,000 square feet and any addition thereto during the Term.

“Developer Property” means the property identified as Lot 9 in Mill Brook Industrial Park (City Tax Map as Map 45, Lot 19-3-9).

“Developer Tax Increment Revenues” means that portion of all real property taxes assessed by and paid to the City in any Tax Year, in excess of any special assessment by City or any State or special district tax, upon the Captured Assessed Value, allocated and pledged to the Developer pursuant to Articles II and III of this Agreement, to support the Developer Project on the Developer Property.

“Development Program” shall have the meaning given such term in the recitals hereto.

“Development Program Fund” means the Municipal TIF Development Program Fund described in section IV(D) of the Development Program and established and maintained pursuant to Article II hereof and 30-A M.R.S.A. § 5227(3)(A). The Development Program Fund shall consist of a Project Cost Account with at least one subaccount: the Nikel Project Cost Subaccount.

“District” shall have the meaning given such term in the first recital hereto. “Effective Date” shall mean the date of execution of this Agreement.

“Financial Plan” means the financial plan described in section IV of the Development Program.

“Fiscal Year” means July 1st to June 30th of the subsequent calendar year or such other fiscal year as the City may from time to time establish.

“Increased Assessed Value” means, for each Fiscal Year during the term of this Agreement, the amount by which the Current Assessed Value for such year exceeds the Original Assessed Value. If the Current Assessed Value is less than or equal to the Original Assessed Value in any given Tax Year, there is no Increased Assessed Value in that Tax Year.

“Original Assessed Value” means zero dollars (\$0), the taxable assessed value of the Developer Property as of March 31, 2019 (April 1, 2018).

“Project Cost Account” means the project cost account described in the Financial Plan Section of the Development Program and established and maintained pursuant to Title 30-A M.R.S.A. § 5227(3)(A)(1) and Article II hereof.

“Property Tax” means any and all *ad valorem* property taxes levied, charged or assessed against real property located in the District by the City, or on its behalf.

“State” means the State of Maine.

“Tax Increment Revenue Cap” shall have the meaning given to such term in Section 2.3.

“Tax Payment Date” means the later of the date(s) on which Property Taxes levied by the City on real and personal property located in the District are (a) due and payable, or (b) are actually paid by or on behalf of the Developer to, and received by, the City.

“Tax Year” shall have the meaning given such term in 30-A M.R.S.A. § 5222(18), as amended, to wit: April 1st to March 31st.

“Term” shall mean all Tax Years in the period beginning from April 1, 2019-March 31, 2020 through April 1, 2044-March 31, 2045, but not beginning before the Effective Date.

“City” shall have the meaning given such term in the first paragraph hereto.

Section 1.2. Interpretation and Construction.

In this Agreement, unless the context otherwise requires:

- (a) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this Agreement, refer to this Agreement, and the term “hereafter” means after, and the term “heretofore” means before, the date of delivery of this Agreement.
- (b) Words importing a particular gender mean and include correlative words of every other gender and words importing the singular number mean and include the plural number and vice versa.
- (c) Words importing persons mean and include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public or governmental bodies, as well as any natural persons.
- (d) Any headings preceding the texts of the several Articles and sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.
- (e) All approvals, consents and acceptances required to be given or made by any signatory hereto shall not be withheld unreasonably.
- (f) All notices to be given hereunder shall be given in writing and, unless a certain number of days is specified, within a reasonable time.
- (g) If any clause, provision or section of this Agreement shall be ruled invalid by any court of competent jurisdiction, the invalidity of such clause, provision or section shall not affect any of the remaining provisions hereof.

ARTICLE II

DEVELOPMENT PROGRAM FUND AND FUNDING REQUIREMENTS Section 2.1. Creation of

Development Program Fund.

The City has created and established a segregated fund in the name of the City designated as the “Maine Molecular/Mill Brook Municipal TIF Development Program Fund” (hereinafter the “Development Program Fund”) to be funded by tax payments actually made by properties located within the District, and in accordance with the terms and conditions of, the Development Program and 30-A M.R.S.A. § 5227(3)(A). The Development Program Fund is pledged to and charged with the payment of project costs as outlined in the Financial Plan of the Development Program and as provided in 30-A M.R.S.A. § 5227(3)(A)(1), in the manner and priority provided in 30-A M.R.S.A. § 5227(3)(B), and as set forth in Section 3.1(b) below.

Section 2.2. Liens.

The City shall not create any liens, encumbrances or other interests of any nature whatsoever, nor shall it hypothecate the Development Program Fund described in section 2.1 hereof or any funds therein, other than the interest in favor of the Developer hereunder in and to the amounts on deposit; provided,

however, that nothing herein shall prohibit the creation of property tax liens on property in the District in accordance with and entitled to priority pursuant to Maine law.

Section 2.3. Captured Assessed Value; Deposits into Development Program Fund; Cap on Tax Increment Revenues.

(a) For each Tax Year of the Term, the City shall retain in the District, for purposes of depositing Property Taxes associated therewith, the percentage of the Increased Assessed Value determined in accordance with the following table:

Tax Year	Retained Percentage
2019	60%
2020	60%
2021	60%
2022	60%
2023	60%
2024	60%
2025	60%
2026	60%
2027	60%
2028	50%
2029	50%
2030	50%
2031	50%
2032	50%
2033	50%
2034	50%
2035	50%
2036	30%
2037	30%
2038	30%
2039	30%
2040	30%
2041	30%
2042	30%
2043	30%
2044	30%

(b) In each of said Tax Years, the City shall deposit into the Nikel Project Cost Subaccount of the Development Program Fund, within five (5) business days of each Tax Payment Date, that portion of the tax payment made by Developer as represents Developer Tax Increment Revenues.

(c) Notwithstanding the foregoing provisions of this Section 2.3, no deposits shall be made to the Nikel Project Cost Subaccount to the extent such deposits would cause the aggregate amount of deposits to such Fund to exceed the Tax Increment Revenue Cap (as hereinafter defined). For purposes of this Agreement, the "Tax Increment Revenue Cap" means an amount initially equal to \$1,200,000. In the event that during the Term the square footage of the facility constituting part of the Developer Project is expanded, the Tax Increment Revenue Cap shall be redetermined by multiplying \$1,200,000 by a fraction the numerator of which is the square footage of the facility after the expansion and the denominator of which is 40,000 square feet, being the estimated size of the facility to be constructed on Developer Property. In the event Developer constructs an addition, Developer shall notify City in order for the parties to determine the change in the Tax Increment Revenue Cap.

Section 2.4. Use of Monies in Development Program Fund.

All monies in the Development Program Fund shall in all cases be used and applied to fund fully the City's payment obligations to Developer described in Articles II and III hereof.

Section 2.5. Monies Held in Segregated Account.

All monies paid into the Nikel Project Cost Subaccount under the provisions hereof and the provisions of the Development Program shall be held by the City for the benefit of the Developer in a segregated account. The City shall never be under any obligation to deposit into the Nikel Project Cost Subaccount, any funds other than Developer Tax Increment Revenues received by the City from Developer, the City's obligations under this Agreement extending only to funds that are Developer Tax Increment Revenues actually paid by Developer to the City. Interest earnings thereon shall be retained by the City for the City's own use.

ARTICLE III

PAYMENT OBLIGATIONS

Section 3.1. Developer Payments.

(a) The City agrees to pay Developer, within thirty (30) days following each Tax Payment Date during the Term, all amounts then on deposit in the Nikel Project Cost

Subaccount; *provided, however*, the City shall have no obligation to make payment while any mechanics' liens shall be encumbering the Developer Property for a period of more than thirty (30) days. Upon the discharge or other termination of any such mechanics' liens, the City shall pay any amounts previously withheld on account thereof.

(a) Notwithstanding anything to the contrary contained herein, if, with respect to any Tax Payment Date, any portion of the Property Taxes assessed against real property within the Developer Property for the Tax Year concerned remains unpaid, because of a valuation dispute or otherwise, the Property Taxes actually paid with respect to that Tax Year shall be applied, first, to payment in full of taxes due in respect of the

Original Assessed Value; and second, to the extent of funds remaining, to payment of the Developer Tax Increment Revenues for the Tax Year concerned.

Section 3.2. Failure to Make Payment.

If the City should fail or be unable to make any of the payments at the time and in the amount required under the foregoing provisions of this Article III; or if the amount deposited into the Nikel Project Cost Subaccount is insufficient to reimburse the Developer for the full amount Developer has actually paid in taxes, the amount or installment so unpaid shall continue as a limited obligation of the City, under the terms and conditions hereinafter set forth, until the amount unpaid shall have been fully paid. The Developer shall have the right to initiate and maintain an action to specifically enforce the City's payment obligations hereunder.

Section 3.3. Manner of Payments.

The payments provided for in this Article III shall be paid directly to the Developer at the address specified in Section 8.7 hereof in the manner provided hereinabove, for the Developer's own use and benefit so long as such use is consistent with the requirements of the Act, by check drawn by the City on the Nikel Project Cost Subaccount of the Development Program Fund.

Section 3.4. Obligations Unconditional.

Subject to Developer's compliance with the terms and conditions of this Agreement, the Obligations of the City to make the payments described in this Agreement in accordance with the terms hereof shall be absolute and unconditional, and the City shall not suspend or discontinue any payment hereunder or terminate this Agreement for any cause, other than by court order or by reason of a final judgment by a court of competent jurisdiction that the District is invalid or otherwise illegal.

Section 3.5. Limited Obligation.

The City's obligations of payment hereunder shall be limited obligations of the City payable solely from Developer Tax Increment Revenues pledged therefor under this Agreement and actually received by the City from or on behalf of the Developer. The City's obligations hereunder shall not constitute a general debt or a general obligation or charge against or pledge of the faith and credit or taxing power of the City, the State of Maine, or of any municipality or political subdivision thereof, but shall be payable solely from that portion of Tax Increment Revenues actually deposited by City from taxes paid by Developer into the Nikel Project Cost Subaccount of the Development Program Fund and payable to Developer hereunder. This Agreement shall not directly, indirectly or contingently obligate the City, the State of Maine, or any other City or political subdivision to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment, excepting the City's obligation to levy property taxes upon the Developer Project and the pledge established under this Agreement of the Developer Tax Increment Revenues received by the City from Developer.

**ARTICLE IV
PLEDGE**

Section 4.1. Pledge of and Grant of Security Interest in Nikel Project Cost Subaccount Development Program Fund.

In consideration of this Agreement and other valuable consideration and for the purpose of securing payment of the amounts provided for hereunder to the Developer by the City, according to the terms and conditions contained herein, and in order to secure the performance and observance of all of the City's covenants and agreements contained herein, and subject to section 2.3(c) above, the City hereby grants a security interest in and pledges to the Developer the Nikel Project Cost Subaccount described in Section 2.1 hereof and all sums of money and other securities and investments therein.

Section 4.2. Perfection of Interest.

(a) To the extent reasonably necessary to satisfy the requirements of this Agreement, the City will at such time and from time to time as requested by Developer establish the Nikel Project Cost Subaccount described in Section 2.1 hereof as a segregated fund under the control of an escrow agent, trustee or other fiduciary selected by Developer so as to perfect Developer's interest therein. The cost of establishing and monitoring such a fund shall be borne exclusively by the Developer. In the event such a fund is established under the control of a trustee or fiduciary the City shall cooperate with the Developer in causing appropriate financing statements and continuation statements naming the Developer as pledgee of all such amounts from time to time on deposit in the fund to be duly filed and recorded in the appropriate State offices as required by and permitted under the provisions of the Maine Uniform Commercial Code or other similar law as adopted in the State of Maine and any other applicable jurisdiction, as from time to time amended, in order to perfect and maintain the security interests created hereunder.

(b) If the establishment of a segregated fund in accordance with this Section 4.2, becomes reasonably necessary to satisfy the requirements of this Agreement, the City's responsibility shall be limited to delivering the amounts required by this Agreement to the escrow agent, trustee or other fiduciary designated by the Developer. The City shall have no liability for payment over of the funds concerned to the Developer by any such escrow agent, trustee or other fiduciary, or for any misappropriation, investment losses or other losses in the hands of such escrow agent, trustee or other fiduciary. Notwithstanding any change in the identity of the Developer's designated escrow agent, trustee or other fiduciary, the City shall have no liability for misdelivery of funds if delivered in accordance with Developer's most recent written designation or instructions actually received by the City.

Section 4.3. Further Instruments.

The City shall, upon the reasonable request of the Developer, from time to time execute and deliver such further instruments and take such further action as may be reasonable and as may be required to carry out the provisions of this Agreement; provided, however, that no such instruments or actions shall pledge the credit of the City, and provided further that the cost of executing and delivering such further instruments (including the reasonable and related costs of counsel to the Town with respect thereto) shall be borne exclusively by the Developer.

Section 4.4. No Disposition of Development Program Fund.

Except as permitted hereunder, the City shall not sell, lease, pledge, assign or otherwise dispose, encumber or hypothecate any interest in the Development Program Fund and will promptly pay or cause to be discharged or make adequate provision to discharge any lien, charge or encumbrance on any part thereof not permitted hereby.

Section 4.5. Access to Books and Records.

All non-confidential books, records and documents in the possession of the City relating to the District, the Development Program, this Agreement and the monies, revenues and receipts on deposit or required to be deposited into the Nikel Project Cost Subaccount shall at all reasonable times be open to inspection by the Developer, its agents and employees.

ARTICLE V

DEFAULTS AND REMEDIES

Section 5.1. Events of Default.

Each of the following events shall constitute and be referred to in this Agreement as an “Event of Default”:

- (a) Any failure by the City to pay any amounts due to Developer when the same shall become due and payable;
- (b) Any failure by the City to deposit into the Nikel Project Cost Subaccount of the Development Program Fund on a timely basis, funds the City receives from the Developer that the City is required under this Agreement to deposit into the Development Program Fund;
- (c) Any failure by the City or the Developer to observe and perform in all material respects any covenant, condition, agreement or provision contained herein on the part of the City or Developer to be observed or performed, which failure is not cured within thirty (30) days following written notice thereof;
- (d) Any failure by the Developer to pay when due, any real or personal property taxes lawfully assessed by the City to Developer; and
- (e) If a decree or order of a court or agency or supervisory authority having jurisdiction in the premises of the appointment of a conservator or receiver or liquidator of, any insolvency, readjustment of debt, marshaling of assets and liabilities or similar proceedings, or for the winding up or liquidation of the Developer’s affairs shall have been entered against the Developer or the Developer shall have consented to the appointment of a conservator or receiver or liquidator in any such proceedings of or relating to the Developer or of or relating to all or substantially all of its property, including without limitation the filing of a voluntary petition in bankruptcy by the Developer or the failure by the Developer to have an involuntary petition in bankruptcy dismissed within a period of ninety (90) consecutive days following its filing or in the event an order for release has been entered under the Bankruptcy Code with respect to the Developer;

(f) Developer's failure to commence construction of Developer's Project by July 1, 2020 or the termination of manufacturing activities at Developer Property after Developer's Project is completed.

Section 5.2. Remedies on Default.

Subject to the provisions contained in Section 8.13 below concerning dispute resolution, whenever any Event of Default described in Section 5.1 hereof shall have occurred and be continuing, the nondefaulting party, following the expiration of any applicable cure period, shall have all rights and remedies available to it at law or in equity, including the rights and remedies available to a secured party under the laws of the State of Maine, and may take whatever action as may be necessary or desirable to collect the amount then due and thereafter to become due, to specifically enforce the performance or observance of any obligations, agreements or covenants of the nondefaulting party under this Agreement and any documents, instruments and agreements contemplated hereby or to enforce any rights or remedies available hereunder. Further, the non-defaulting party may elect to terminate this Agreement upon 30 days' written notice to the defaulting party provided the Event of Default is not cured within such 30 day period.

Section 5.3. Remedies Cumulative.

Subject to the provisions of Section 8.13 below concerning dispute resolution, no remedy herein conferred upon or reserved to any party is intended to be exclusive of any other available remedy or remedies but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law, in equity or by statute. Nothing in this Agreement shall be deemed to excuse any non-payment of municipal taxes by Developer, or to limit in any way, the City's rights and remedies in that event. In the event the Developer pays some, but not all, taxes that are due, the portion paid will be allocated first to any delinquent taxes; second (to the extent of funds remaining) to taxes due on the original assessed value of the property; third (to the extent of funds remaining) to any delinquent taxes on increased assessed value from prior tax years; and last (to the extent of funds remaining) to payment of the Developer's share of the tax increment revenues. Delay or

omission to exercise any right or power accruing upon any Events of Default to insist upon the strict performance of any of the covenants and agreements herein set forth or to exercise any rights or remedies upon the occurrence of an Event of Default shall not impair any such right or power or be considered or taken as a waiver or relinquishment for the future of the right to insist upon and to enforce, from time to time and as often as may be deemed expedient, by injunction or other appropriate legal or equitable remedy, strict compliance by the parties hereto with all of the covenants and conditions hereof, or of the rights to exercise any such rights or remedies, if such Events of Default be continued or repeated.

ARTICLE VI

EFFECTIVE DATE, TERM AND TERMINATION

Section 6.1. Effective Date and Term.

This Agreement shall remain in full force from the Effective Date hereof and shall expire upon the later of the expiration of the Term or the payment of all amounts due to the Developer hereunder as of expiration of the Term and the performance of all obligations on the part of the City hereunder, unless sooner terminated pursuant to Section 3.4 or any other applicable provision of this Agreement.

Section 6.2. Cancellation and Expiration of Term.

At the acceleration, termination or other expiration of this Agreement in accordance with the provisions of this Agreement, the City and the Developer shall each execute and deliver such documents and take or cause to be taken such actions as may be necessary to evidence the termination of this Agreement.

ARTICLE VII

ASSIGNMENT AND PLEDGE OF DEVELOPER'S INTEREST

Section 7.1. Consent to Pledge and/or Assignment.

The City hereby acknowledges that the Developer may assign its rights hereunder to a successor owner of the Developer Project and may also from time to time pledge and assign its right, title and interest in, to and under this Agreement as collateral for financing for the Developer Project, although no obligation is hereby imposed on the Developer to make such assignment or pledge. Recognizing this possibility, the City hereby consents and agrees to the pledge and assignment of all the Developer's right, title and interest in, to and under this Agreement and in, and to the payments to be made to Developer hereunder, to third parties as collateral or security for financing the Development Program, on one or more occasions during the term hereof. The City agrees to execute and deliver any assignments, pledge agreements, consents or other confirmations required by such prospective pledgee or assignee, including without limitation recognition of the pledgee or assignee as the holder of all right, title and interest herein and as the payee of amounts due and payable hereunder. The City agrees to execute and deliver any other documentation as shall confirm to such pledgee or assignee the position of such assignee or pledgee and the irrevocable and binding nature of this Agreement and provide to such pledgee or assignee such rights and/or remedies as the Developer or such pledgee or assignee may reasonably deem necessary for the establishment, perfection and protection of its interest herein. Any obligation of the City under this section shall be conditioned upon pledgee or assignee's or Developer's satisfaction of Developer's obligations under this Agreement. Notwithstanding the foregoing, the City shall not be obligated to make payment to any such assignee or pledgee so long as there is any uncured default on the part of Company hereunder. Developer agrees that any payment by the City made in good faith to an assignee or pledgee hereunder shall, to the extent of such payment so made, discharge the City's obligation to Developer hereunder.

Section 7.2. Pledge, Assignment or Security Interest.

Except as provided in Section 7.1 hereof for the purpose of securing financing for the Developer Project or an assignment to a successor entity or an affiliate entity, the Developer shall not transfer or assign

any portion of its rights in, to and under this Agreement without the prior written consent of the City, through its City Council, which consent shall not be unreasonably withheld.

ARTICLE VIII

MISCELLANEOUS

Section 8.1. Successors.

In the event of the dissolution, merger or consolidation of the City or the Developer, the covenants, stipulations, promises and agreements set forth herein, by or on behalf of or for the benefit of such party shall bind or inure to the benefit of the successors and assigns thereof from time to time and any entity, officer, board, commission, agency or instrumentality to whom or to which any power or duty of such party shall be transferred.

Section 8.2. Parties-in-Interest; No Partnership or Joint Venture.

Except as herein otherwise specifically provided, nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the City and the Developer any right, remedy or claim under or by reason of this

Agreement, it being intended that this Agreement shall be for the sole and exclusive benefit of the City and the Developer. This Agreement is not intended to create any form of partnership or joint venture between the City and the Developer.

Section 8.3. Severability.

In case any one or more of the provisions of this Agreement shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement and this Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

Section 8.4. No Personal Liability of Officials of the City; No Waiver of Maine Tort Claims Act.

No covenant, stipulation, obligation or agreement of the City contained herein shall be deemed to be a covenant, stipulation or obligation of any present or future elected or appointed official, officer, agent, servant or employee of the City in his or her individual capacity, and neither the City Councilors nor any official, officer, employee or agent of the City shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason hereof. Nothing contained herein is intended as a waiver of, and the City expressly reserves all protections and immunities under, the Maine Tort Claims Act, 14 M.R.S.A. § 8101 *et seq.* Developer agrees to indemnify and hold the City harmless from any loss, including court costs and reasonable attorney's fees in the event of litigation, incurred by the City as the result of the City's participation in this Agreement or in the TIF Development Program that is the subject of this Agreement, other than costs and fees incurred in connection with a breach by City of its obligations hereunder.

Section 8.5. Counterparts.

This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same Agreement.

Section 8.6. Governing Law; Venue for Suits

The laws of the State of Maine shall govern the construction and enforcement of this Agreement.

Any suit to construe or enforce the provisions of this Agreement must be brought in the District or Superior Courts of York County, Maine; and otherwise shall be void. Developer expressly waives any claim to jurisdiction of the United States District Court over disputes arising under this Agreement, whether on account of diversity of citizenship or federal subject matter.

Section 8.7. Notices.

All notices, certificates, requests, requisitions or other communications by the City or the Developer pursuant to this Agreement shall be in writing and shall be sufficiently given and shall be deemed given on the third business day after mailing by registered or certified first class mail, postage prepaid, return receipt requested, addressed as follows:

If to the City:

City Administrator

City of Saco
300 Main St.
Saco, ME 04072

With a copy to:

Director of Economic Development

City of Saco

300 Main St.

Saco, ME 04072

If to the Developer:

Nikel Precision Group, LLC

19 Mill Brook Road

Saco, ME 04072

With a copy to:

Michael L. Sheehan, Esq.

PretiFlaherty

One City Center

Portland, Maine 04101

Either of the parties may, by notice given to the other, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent hereunder.

Section 8.8. Amendments.

This Agreement may be amended only with the concurring written consent of both of the parties hereto.

Section 8.9. Benefit of Assignees or Pledges.

The City agrees that this Agreement is executed in part to induce assignees or pledgees to provide financing for the Developer Project and accordingly all covenants and agreements on the part of the City as to the amounts payable hereunder are hereby declared to be for the benefit of any such assignee or pledgee from time to time of the Developer's right, title and interest herein. No such assignment or pledge shall limit in any way, Developer's obligations hereunder.

Section 8.10. Integration.

This Agreement completely and fully supersedes all other prior or contemporaneous understandings or agreements, both written and oral, between the City and the Developer relating to the specific subject matter of this Agreement and the transactions contemplated hereby.

Section 8.11. Dispute Resolution.

In the event of a dispute regarding this Agreement or the transactions contemplated by it, the parties hereto will use all reasonable efforts to resolve the dispute on an amicable basis. If the dispute is not resolved on that basis within sixty (60) days after one party first brings the dispute to the attention of the other party, then either party may file an appropriate action for legal or equitable relief. If the Developer defaults in any of its obligations under this Agreement, the City shall be entitled to recover from Developer its reasonable attorneys' fees incurred in enforcement of such obligations.

Section 8.12. Tax Laws and Valuation Agreement.

The parties acknowledge that all laws of the State now in effect or hereafter enacted with respect to taxation of property shall be applicable and that the City, by entering into this Agreement, is not excusing any non-payment of taxes by Developer. Without limiting the foregoing, the City and the Developer shall always be entitled to exercise all rights and remedies regarding assessment, collection and payment of taxes assessed on

Developer's property. In addition, the Development Program makes certain assumptions and estimates regarding

valuation, depreciation of assets, tax rates and estimated costs. The City and the Developer hereby covenant and agree that the assumptions, estimates, analysis and results set forth in the Development Program shall in no way (a) constitute a contractual obligation or binding representation of either party as to such assumptions, estimates, analysis or results; (b) prejudice the rights of any party or be used, in any way, by any party in either presenting evidence or making argument in any dispute which may arise in connection with valuation of or abatement proceedings relating to Developer's property for purposes of ad valorem property taxation or (c) vary the terms of this Agreement even if the actual results differ substantially from the estimates, assumptions or analysis.

IN WITNESS WHEREOF, the City and the Developer have caused this Agreement to be executed in their respective corporate names and their respective corporate seals to be hereunto affixed and attested by the duly authorized officers, all as of the date first above written.

CITY OF SACO

NIKEL PRECISION GROUP, LLC

By:

By: _____

Name:

Name:

Its:

Its:

Duly Authorized

Duly Authorized

C. (Public Hearing) Order regarding Ready Seafood Municipal Development and Tax Increment Financing District Development Program.

This application proposes a new TIF District in the City, on Tax Map 64 Lot 12. The proposal is for the City to capture 100% of the assessed valuation of real and personal property, with terms of a credit enhancement agreement written into the application. The developer, Ready Seafood Company, has proposed construction of a “Maine Lobster Full Utilization Campus” with approximately \$12 million of development in Saco. Staff provided additional background information at the January 14th workshop and for the first reading on January 22nd. On January 22nd, the Council moved to schedule a public hearing on this item. The public hearing notification was published in *The Journal Tribune* on January 24, 2019, and a copy of this application has been on file with the City Clerk’s Office for public inspection.

Councilor Johnston Moved, Councilor Smart Seconded to open the public hearing, waive the reading of, and enter into the minutes as if read, the Order regarding the ‘Ready Seafood Co. Municipal and Tax Increment Financing District Development Program.’

Motion Passed with seven (7) Yea’s.

There was no public comment.

Councilor Johnston Moved, Councilor Minthorn Seconded to close the public hearing and further moved to schedule the final reading of the Order regarding the ‘Ready Seafood Co. Municipal Development and Tax Increment Financing District Development Program’ for February 19, 2019.

Motion Passed with seven (7) Yea’s.

2019. _____ IN CITY COUNCIL, _____, 2019

WHEREAS, the City of Saco (the "City") is authorized pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended (the "Act"), to designate a specified area within the City as the **Ready Seafood Co. Municipal Development and Tax Increment Financing District** (#____) (the "District") and adopt a development program (the "Development Program") for the District pursuant to the Act; and

WHEREAS, there is a need for economic development in the City of Saco, in the surrounding region, and in the State of Maine; and

WHEREAS, there is a need to improve and broaden the tax base of the City of Saco; and to improve the general economy of the City of Saco and the surrounding region; and

WHEREAS, designation of the District and adoption of the Development Program will help to improve and broaden the tax base in the City of Saco and improve the economy of the City of Saco and the region by attracting business development to the District; and

WHEREAS, the City desires to designate the District and adopt the Development Program; and

WHEREAS, it is expected that approval will be obtained from the State of Maine Department of Economic and Community Development (the "Department"), approving the designation of the District and adoption of the Development Program.

ORDERED AS FOLLOWS:

Section 1. The City of Saco hereby designates the Ready Seafood Company Municipal Development and Tax Increment Financing District (#16) and hereby adopts the Development Program for said District; such designation and adoption to be pursuant to the following findings, terms, and provisions:

Section 2. The City Council hereby finds and determines that:

- a. At least twenty-five percent (25%), by area, of the real property within the District, as hereinafter designated, is suitable for commercial uses; and
- b. The total area of the District does not exceed two percent (2%) of the total acreage of the City, and the total area of all development districts within the City (including the proposed District) does not exceed five percent (5%) of the total acreage of the City; and
- c. The original assessed value of all existing and proposed tax increment financing districts (including the proposed District) does not exceed five percent (5%) of the total value of equalized taxable property within the City as of the most recent April 1 for which such value is available; and
- d. The designation of the District and adoption of the related Development Program will make a contribution to the economic growth and well-being of the City of Saco and the surrounding region, and will contribute to the betterment of the health, welfare and safety of the inhabitants of the City of Saco, including a broadened and improved tax base and economic stimulus, and therefore constitutes a good and valid public purpose. The City Council has considered all evidence, if any, presented to it with regard to any adverse economic effect on or detriment to any existing business and has found and determined that such adverse economic effect on or detriment to any existing business, if any, is outweighed by the contribution expected to be made through the District and the Development Program.

Section 3. The City Administrator, or his/her duly appointed representative, is hereby authorized, empowered and directed to submit the proposed designation of the District and the proposed Development Program for the District to the Department for review and approval pursuant to the requirements of 30-A M.R.S.A. § 5226; and further is authorized to execute a Credit Enhancement Agreement consistent with the provisions of the District's Development Program as presented and approved herein, and to create the accounts and take all the actions described in such agreements.

Section 4. The foregoing designation of the District and approval of the Development Program shall automatically become final and shall take full force and effect upon receipt by the City of approval of the designation of the District and adoption of the Development Program by the Department, without requirement of further action by the City, the City Council, or any other party.

Section 5. The City Administrator, or his duly appointed representative, is hereby authorized and empowered, at his/her discretion, from time to time, to make such revisions to the Development Program as the City Administrator, or his duly appointed representative, deems reasonably necessary or convenient in order to facilitate the process for review and approval of the District and/or the Development Program by the Department, or for any other reason, so long as such revisions are not inconsistent with these resolutions or the basic structure and intent of the District and the Development Program.

D. (Public Hearing) Order regarding Second Amendment to Industrial Park Road (aka: First Light) Municipal Development and Tax Increment Financing District Development Program (District #1) to be renamed 77 Industrial Park Road Omnibus Municipal Development and Tax Increment Financing District.

This TIF amendment application proposes to increase the captured assessment percentage from 60% to 100%, to amend the Development Program for consistency with other TIF amendments, and to rename the District to its parcel address, 77 Industrial Park Road. Staff provided background information at the January 14th workshop and for the first reading on January 22nd. On January 22nd, the Council moved to schedule a public hearing on this item. The public hearing notification was published in the The Journal Tribune on January 24, 2019, and a copy of this amendment application has been on file with the City Clerk's Office for public inspection.

Councilor Archer Moved, Councilor Doyle Seconded to open the public hearing, waive the reading of, and enter into the minutes as if read, the Order regarding the 'Second Amendment to Industrial Park Road (aka: First Light) Municipal Development and Tax Increment Financing District Development Program (District #1) to be renamed 77 Industrial Park Road Omnibus Municipal Development and Tax Increment Financing District.'

Motion Passed with seven (7) Yea's.

There was no public comment.

Councilor Archer Moved, Councilor Doyle Seconded to close the public hearing, and further move to schedule the final reading of the Order regarding the 'Second Amendment to Industrial Park Road (aka: First Light) Municipal Development and Tax Increment Financing District Development Program (District #1) to be renamed 77 Industrial Park Road Omnibus Municipal Development and Tax Increment Financing District' on February 19, 2019.'"

Motion Passed with seven (7) Yea's.

**CITY OF SACO, MAINE
COUNCIL ORDER**

**Amending the 77 Industrial Park Road Omnibus Municipal Development
Tax Increment Financing Development Program**

WHEREAS, the City of Saco (the "City") is authorized pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, to designate specific areas within the City as the 77 Industrial Park Road Omnibus Tax Increment Financing District ("the District") and to adopt a development program for the District (the "Development Program"); and

WHEREAS, on April 2, 1997, the Saco City Council (the "City Council") designated the District and adopted a Development Program for the District (the "Original Development Program"), which received the approval from the Maine Department of Economic and Community Development (the "Department") on June ; and

WHEREAS, on June 19, 2017 the City adopted the First Amendment to the Original Development Program (as amended, the "First Amendment") in order to extend the term of the district; and

WHEREAS, the City desires to adopt this Second Amendment to the District and Development Program (the "Second Amendment") to continue to achieve the District's original goals; and

WHEREAS, the City Council has held a public hearing on February 4, 2019, upon at least ten (10) days prior notice published in a newspaper of general circulation within the City, on the question of amending the Original Development Program in accordance with the requirements of 30-A M.R.S.A. § 5226; and

WHEREAS, the City Council has considered the comments provided at the public hearing, both for and against the adoption of the Second Amendment, if any; and

WHEREAS, it is expected that approval will be sought and obtained from the Department, approving the First Amendment;

NOW THEREFORE BE IT ORDERED AS FOLLOWS:

Section 1. The City Council hereby finds and determines that:

a. Pursuant to Title 30-A M.R.S.A. Section 5226(5) pertaining to TIF district and development program amendment, this Second Amendment does not result in the District being out of compliance with any of the conditions of 30-A M.R.S.A. Section 5223(3) which include the percentage of area within the District that is suitable for commercial use, the TIF acreage caps for single TIF districts and for all TIF districts in the City, and the total TIF district valuation cap.

b. The adoption of the Second Amendment will make a contribution to the economic growth and well-being of the City of Saco and the surrounding region, and will contribute to the betterment of the health, welfare and safety of the inhabitants of the City of Saco, including a broadened and improved tax base and economic stimulus, and therefore constitutes a good and valid public purpose.

Section 2. Pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, the City Council hereby amends the 77 Industrial Park Road Omnibus Municipal Development Tax Increment Financing Development

Program and adopts the Second Amendment, all as more particularly described in the Second Amendment presented to the City Council and such Second Amendment is hereby incorporated by reference into this vote as the Development Program for the District.

Section 3. Pursuant to the provisions of 30-A M.R.S.A. § 5227, the percentage of the increased assessed value to be retained as captured assessed value in the District is hereby established as set forth in the Development Program.

Section 4. The City Administrator, or his/her duly appointed representative, is hereby authorized, empowered and directed to submit the proposed First Amendment to Department for review and approval pursuant to the requirements of 30-A M.R.S.A. § 5226(2).

Section 5. The foregoing adoption of the Second Amendment shall automatically become final and shall take full force and effect upon receipt by the City of approval of adoption of the First Amendment by the Department, without requirement of any further action by the City, the City Council, or any other party.

Section 6. The City Administrator, or his duly appointed representative, is hereby authorized and empowered, at his/her discretion, from time to time, to make such revisions to the documents adopting the Second Amendment as he may deem reasonably necessary or convenient in order to facilitate the process for review and approval of the Second Amendment by the Department, so long as such revisions are not inconsistent with these resolutions or the basic structure and intent of the Council in adopting the Second Amendment.

E. (Public Hearing): Order regarding “First Amendment to Industrial Park Road Municipal Development and Tax Increment Financing District Development Program (District #5) to be renamed Industrial Park Road Omnibus Municipal Development and Tax Increment Financing District.”

This TIF amendment application proposes a term extension of the District from 20 to 30 years, and amendment to the project list of the Development Program, for consistency with other TIF amendments. Staff provided background information at the January 14th workshop and for the first reading on January 22nd. On January 22nd, the Council moved to schedule a public hearing on this item. The public hearing notification was published in The Journal Tribune on January 24, 2019, and a copy of this amendment application has been on file with the City Clerk’s Office for public inspection.

Councilor Gay Moved, Councilor Doyle Seconded to Open the public hearing, waive the reading of, and enter into the minutes as if read, the Order regarding the ‘First Amendment to Industrial Park Road Municipal Development and Tax Increment Financing District Development Program (District #5) to be renamed Industrial Park Road Omnibus Municipal Development and Tax Increment Financing District.’”

Motion Passed with seven (7) Yea’s.

Barbara Colman of 45B Stockman Avenue noted that the introduction of these public hearing items indicate that they are available for public inspection during the daytime. She then asked why it is necessary for her to submit a Freedom of Information Act request to see a public document, which includes tracking an employee's time in the effort to produce such a document? She asked if she would be required to submit a FOIA request to see these documents related to tonight's public hearings. Mr Sutherland replied that no FOIA request would be necessary, since the City is required to have these documents ready for public inspection.

Mayor Lovell asked the Deputy City Clerk if these documents were available, and Mr. Rankin answered that they are, in the same manner that the current budget of the City is always available and ready for public inspection in the City Clerk's Office.

Ms. Colman said that she asks this question because all of the documents that she has asked for from the City have been public documents, but she was required to submit a FOIA request. She wanted to clarify that these particular documents would be ready, should she ask for them tomorrow and understands that they would be.

Councilor Gay Moved, Councilor Archer Seconded to close the public hearing, and further move to schedule the final reading of the Order regarding the 'First Amendment to Industrial Park Road Municipal Development and Tax Increment Financing District Development Program (District #5) to be renamed Industrial Park Road Omnibus Municipal Development and Tax Increment Financing District' for February 19, 2019."

Motion Passed with seven (7) Yea's.

**CITY OF SACO, MAINE
COUNCIL ORDER**

**Amending the Industrial Park Road Omnibus Municipal Development
Tax Increment Financing Development Program**

WHEREAS, the City of Saco (the "City") is authorized pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, to designate specific areas within the City as the Industrial Park Road Omnibus Tax Increment Financing District ("the District") and to adopt a development program for the District (the "Development Program"); and

WHEREAS, on January 2, 2007, the Saco City Council (the "City Council") designated the District and adopted a Development Program for the District (the "Original Development Program"), which received the approval from the Maine Department of Economic and Community Development (the "Department") on March 16, 2007; and

WHEREAS, the City desires to adopt this First Amendment to the District and Development Program (the "First Amendment") to continue to achieve the District's original goals; and

WHEREAS, the City Council has held a public hearing on February 4, 2019, upon at least ten (10) days prior notice published in a newspaper of general circulation within the City, on the question of amending the Original Development Program in accordance with the requirements of 30-A M.R.S.A. § 5226; and

WHEREAS, the City Council has considered the comments provided at the public hearing, both for and against the adoption of the First Amendment, if any; and

WHEREAS, it is expected that approval will be sought and obtained from the Department, approving the First Amendment;

NOW THEREFORE BE IT ORDERED AS FOLLOWS:

Section 1. The City Council hereby finds and determines that:

a. Pursuant to Title 30-A M.R.S.A. Section 5226(5) pertaining to TIF district and development program amendment, this First Amendment does not result in the District being out of compliance with any of the conditions of 30-A M.R.S.A. Section 5223(3) which include the percentage of area the District that is suitable for commercial use, the TIF acreage caps for single TIF districts and for all TIF districts in the City, and the total TIF district valuation cap.

b. The adoption of the First Amendment will make a contribution to the economic growth and well-being of the City of Saco and the surrounding region, and will contribute to the betterment of the health, welfare and safety of the inhabitants of the City of Saco, including a broadened and improved tax base and economic stimulus, and therefore constitutes a good and valid public purpose.

Section 2. Pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, the City Council hereby amends the Industrial Park Road Omnibus Municipal Development Tax Increment Financing Development Program and adopts the First Amendment, all as more particularly described in the First Amendment presented to the City Council and such First Amendment is hereby incorporated by reference into this vote as the Development Program for the District.

Section 3. Pursuant to the provisions of 30-A M.R.S.A. § 5227, the percentage of the increased assessed value to be retained as captured assessed value in the District is hereby established as set forth in the Development Program.

Section 4. The City Administrator, or his/her duly appointed representative, is hereby authorized, empowered and directed to submit the proposed First Amendment to Department for review and approval pursuant to the requirements of 30-A M.R.S.A. § 5226(2).

Section 5. The foregoing adoption of the First Amendment shall automatically become final and shall take full force and effect upon receipt by the City of approval of adoption of the First Amendment by the Department, without requirement of any further action by the City, the City Council, or any other party.

Section 6. The City Administrator, or his/her duly appointed representative, is hereby authorized and empowered, at his discretion, from time to time, to make such revisions to the documents adopting the First Amendment as he may deem reasonably necessary or convenient in order to facilitate the process for review and

approval of the First Amendment by the Department, so long as such revisions are not inconsistent with these resolutions or the basic structure and intent of the Council in adopting the First Amendment.

F. (Public Hearing): Order regarding “Second Amendment to Spring Hill Municipal Development and Tax Increment Financing District Development Program (District #7) to be renamed Spring Hill Omnibus Municipal Development and Tax Increment Financing District.”

This TIF amendment application proposes a term extension of the District from 20 to 30 years; map boundary revision to add two parcels: Tax Map 70 Lot 13 and Tax Map 71 Lot 2-1; and amendment to the project list of the Development Program for consistency with other TIF amendments. Staff provided detailed background information at the January 14th workshop and for the first reading on January 22nd. On January 22nd, the Council moved to schedule a public hearing on this item. The public hearing notification was published in The Journal Tribune on January 24, 2019, and a copy of this amendment application has been on file with the City Clerk’s Office for public inspection.

Councilor Doyle Moved, Councilor Copeland Seconded to open the public hearing, waive the reading of, and enter into the minutes as if read, the Order regarding the ‘Second Amendment to Spring Hill Municipal Development and Tax Increment Financing District Development Program (District #7) to be renamed Spring Hill Omnibus Municipal Development and Tax Increment Financing District.’”

There was no public comment.

Councilor Doyle Moved, Councilor Gay Seconded, to close the public hearing, and further move to schedule the final reading of the Order regarding the ‘Second Amendment to Spring Hill Municipal Development and Tax Increment Financing District Development Program (District #7) to be renamed Spring Hill Omnibus Municipal Development and Tax Increment Financing District’ for February 19, 2019.”

Motion Passed with seven (7) Yea’s.

**CITY OF SACO, MAINE
COUNCIL ORDER**

**Amending the Spring Hill Omnibus Municipal Development
Tax Increment Financing Development Program**

WHEREAS, the City of Saco (the "City") is authorized pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, to designate specific areas within the City as the Spring Hill Omnibus Tax Increment

Financing District ("the District") and to adopt a development program for the District (the "Development Program"); and

WHEREAS, on March 4, 2002, the Saco City Council (the "City Council") designated the District and adopted a Development Program for the District (the "Original Development Program"), which received the approval from the Maine Department of Economic and Community Development (the "Department") on March 29, 2002; and

WHEREAS, on July 7, 2008 the City adopted the First Amendment to the Original Development Program (as amended, the "First Amendment") in order to: extend the term of the district, expand the District from 125 acres to 135 acres and allow for traffic improvements, which received the approval from the Department on October 7, 2002; and

WHEREAS, the City desires to adopt this Second Amendment to the District and Development Program (the "Second Amendment") to continue to achieve the District's original goals; and

WHEREAS, the City Council has held a public hearing on February 4, 2019, upon at least ten (10) days prior notice published in a newspaper of general circulation within the City, on the question of amending the Original Development Program in accordance with the requirements of 30-A M.R.S.A. § 5226; and

WHEREAS, the City Council has considered the comments provided at the public hearing, both for and against the adoption of the Second Amendment, if any; and

WHEREAS, it is expected that approval will be sought and obtained from the Department, approving the Second Amendment;

NOW THEREFORE BE IT ORDERED AS FOLLOWS:

Section 1. The City Council hereby finds and determines that:

a. Pursuant to Title 30-A M.R.S.A. Section 5226(5) pertaining to TIF district and development program amendment, this Second Amendment does not result in the District being out of compliance with any of the conditions of 30-A M.R.S.A. Section 5223(3) which include the percentage of area the District that is suitable for commercial use, the IF acreage caps for single TIF districts and for all TIF districts in the City, and the total TIF district valuation cap.

b. The adoption of the Second Amendment will make a contribution to the economic growth and well-being of the City of Saco and the surrounding region, and will contribute to the betterment of the health, welfare and safety of the inhabitants of the City of Saco, including a broadened and improved tax base and economic stimulus, and therefore constitutes a good and valid public purpose.

Section 2. Pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, the City Council hereby amends the Spring Hill Omnibus Municipal Development Tax Increment Financing Development Program and adopts the Second Amendment, all as more particularly described in the Second Amendment presented to the City Council and such Second Amendment is hereby incorporated by reference into this vote as the Development Program for the District.

Section 3. Pursuant to the provisions of 30-A M.R.S.A. § 5227, the percentage of the increased assessed value to be retained as captured assessed value in the District is hereby established as set forth in the Development Program.

Section 4. The City Administrator, or his duly appointed representative, is hereby authorized, empowered and directed to submit the proposed Second Amendment to Department for review and approval pursuant to the requirements of 30-A M.R.S.A. § 5226(2).

Section 5. The foregoing adoption of the Second Amendment shall automatically become final and shall take full force and effect upon receipt by the City of approval of adoption of the Second Amendment by the Department, without requirement of any further action by the City, the City Council, or any other party.

Section 6. The City Administrator, or his duly appointed representative, is hereby authorized and empowered, at his discretion, from time to time, to make such revisions to the documents adopting the Second Amendment as he may deem reasonably necessary or convenient in order to facilitate the process for review and approval of the Second Amendment by the Department, so long as such revisions are not inconsistent with these resolutions or the basic structure and intent of the Council in adopting the Second Amendment.

G. (Public Hearing): Order regarding “Second Amendment to Franklin Fuels Municipal Development and Tax Increment Financing District Development Program (District #8) to be renamed 34 Spring Hill Road Omnibus Municipal Development and Tax Increment Financing District”.

This TIF amendment application proposes an amendment to the project list of the Development Program for consistency with other TIF amendments and a renaming of the District to the parcel address. Staff provided background information at the January 14th workshop and for the first reading on January 22nd. On January 22nd, the Council moved to schedule a public hearing on this item. The public hearing notification was published in The Journal Tribune on January 24, 2019, and a copy of this amendment application has been on file with the City Clerk’s Office for public inspection.

Councilor Copeland Moved, Councilor Doyle Seconded, to open the public hearing, waive the reading of, and enter into the minutes as if read, the Order regarding the ‘Second Amendment to Franklin Fuels Municipal Development and Tax Increment Financing District Development Program (District #8) to be renamed 34 Spring Hill Road Omnibus Municipal Development and Tax Increment Financing District.’”

The Motion Passed with seven (7) Yea’s.

There was no public comment.

Councilor Copeland Moved, Councilor Smart Seconded to close the public hearing, and further move to schedule the final reading of the Order regarding the ‘Second Amendment to Franklin Fuels Municipal Development and Tax Increment Financing District Development Program (District #8) to be renamed 34 Spring Hill Road Omnibus Municipal Development and Tax Increment Financing District’ for February 19, 2019.”

The Motion Passed with seven (7) Yea's.

**CITY OF SACO, MAINE
COUNCIL ORDER**

**Amending the 34 Spring Hill Road Omnibus Municipal Development
Tax Increment Financing Development Program**

WHEREAS, the City of Saco (the "City") is authorized pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, to designate specific areas within the City as the 34 Spring Hill Road Omnibus Tax Increment Financing District ("the District") and to adopt a development program for the District (the "Development Program"); and

WHEREAS, on **May 21, 2007**, the Saco City Council (the "City Council") designated the District and adopted a Development Program for the District (the "Original Development Program"), which received the approval from the Maine Department of Economic and Community Development (the "Department") on March 24, 2008; and

WHEREAS, on **May 23, 2016** the City adopted the First Amendment to the Original Development Program (as amended, the "First Amendment") in order to: extend the term of the District from ten (10) to twenty (20) years and allow for public facilities improvements and programs which received the approval from the Department on October 9, 2018; and

WHEREAS, the City desires to adopt this Second Amendment to the District and Development Program (the "Second Amendment") to continue to achieve the District's original goals; and

WHEREAS, the City Council has held a public hearing on **February 4, 2019**, upon at least ten (10) days prior notice published in a newspaper of general circulation within the City, on the question of amending the Original Development Program in accordance with the requirements of 30-A M.R.S.A. § 5226; and

WHEREAS, the City Council has considered the comments provided at the public hearing, both for and against the adoption of the Second Amendment, if any; and

WHEREAS, it is expected that approval will be sought and obtained from the Department, approving the Second Amendment;

NOW THEREFORE BE IT ORDERED AS FOLLOWS:

Section 1. The City Council hereby finds and determines that:

a. Pursuant to Title 30-A M.R.S.A. Section 5226(5) pertaining to TIF district and development program amendment, this Second Amendment does not result in the District being out of compliance with any of the conditions of 30-A M.R.S.A. Section 5223(3) which include the percentage of area the District that is suitable for commercial use, the IF acreage caps for single TIF districts and for all TIF districts in the City, and the total TIF district valuation cap.

b. The adoption of the Second Amendment will make a contribution to the economic growth and well-being of the City of Saco and the surrounding region, and will contribute to the betterment of the health,

welfare and safety of the inhabitants of the City of Saco, including a broadened and improved tax base and economic stimulus, and therefore constitutes a good and valid public purpose.

Section 2. Pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, the City Council hereby amends the 34 Spring Hill Road Omnibus Municipal Development Tax Increment Financing Development Program and adopts the Second Amendment, all as more particularly described in the Second Amendment presented to the City Council and such Second Amendment is hereby incorporated by reference into this vote as the Development Program for the District.

Section 3. Pursuant to the provisions of 30-A M.R.S.A. § 5227, the percentage of the increased assessed value to be retained as captured assessed value in the District is hereby established as set forth in the Development Program.

Section 4. The City Administrator, or his duly appointed representative, is hereby authorized, empowered and directed to submit the proposed Second Amendment to Department for review and approval pursuant to the requirements of 30-A M.R.S.A. § 5226(2).

Section 5. The foregoing adoption of the Second Amendment shall automatically become final and shall take full force and effect upon receipt by the City of approval of adoption of the Second Amendment by the Department, without requirement of any further action by the City, the City Council, or any other party.

Section 6. The City Administrator, or his duly appointed representative, is hereby authorized and empowered, at his discretion, from time to time, to make such revisions to the documents adopting the Second Amendment as he may deem reasonably necessary or convenient in order to facilitate the process for review and approval of the Second Amendment by the Department, so long as such revisions are not inconsistent with these resolutions or the basic structure and intent of the Council in adopting the Second Amendment.

H. (Public Hearing): Order regarding “Second Amendment to Park North Municipal Development and Tax Increment Financing District Development Program (District #9) to be renamed Park North Omnibus Municipal Development and Tax Increment Financing District.”

This TIF application proposes an amendment to the Development Program’s project list for consistency with other TIF amendments. Staff provided detailed background information at the January 14th workshop and for the first reading on January 22nd. On January 22nd, the Council moved to schedule a public hearing on this item. The public hearing notification was published in The Journal Tribune on January 24, 2019, and a copy of this amendment application has been on file with the City Clerk’s Office for public inspection.

Councilor Minthorn Moved, Councilor Smart Seconded to open the public hearing, waive the reading of, and enter into the minutes as if read, the Order regarding the ‘Second Amendment to Park North Municipal Development and Tax Increment Financing District Development Program (District #9) to be renamed Park North Omnibus Municipal Development and Tax Increment Financing District.’”

The Motion Passed with seven (7) Yea’s.

There was no public comment.

Councilor Minthorn Moved, Councilor Smart Seconded to close the public hearing, and further move to schedule the final reading of the Order regarding the ‘Second Amendment to Park North Municipal Development and Tax Increment Financing District Development Program (District #9) to be renamed Park North Omnibus Municipal Development and Tax Increment Financing District’ for February 19, 2019.

The Motion Passed with seven (7) Yea’s

CITY OF SACO, MAINE
COUNCIL ORDER

**Amending the Park North Omnibus Municipal Development
Tax Increment Financing Development Program**

WHEREAS, the City of Saco (the "City") is authorized pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, to designate specific areas within the City as the Park North Omnibus Tax Increment Financing District ("the District") and to adopt a development program for the District (the "Development Program"); and

WHEREAS, on May 1, 2007, the Saco City Council (the "City Council") designated the District and adopted a Development Program for the District (the "Original Development Program"), which received the approval from the Maine Department of Economic and Community Development (the "Department") on September 17, 2007; and,

WHEREAS, on March 18, 2013 the City adopted the First Amendment to the Original Development Program (as amended, the "First Amendment") in order to: extend the term of the District and change the TIF revenue allocation formula, which received the approval from the Department on July 16, 2013; and

WHEREAS, the City desires to adopt this Second Amendment to the District and Development Program (the "Second Amendment") to continue to achieve the District’s original goals; and

WHEREAS, the City Council has held a public hearing on February 4, 2019, upon at least ten (10) days prior notice published in a newspaper of general circulation within the City, on the question of amending the Original Development Program in accordance with the requirements of 30-A M.R.S.A. § 5226; and

WHEREAS, the City Council has considered the comments provided at the public hearing, both for and against the adoption of the Second Amendment, if any; and

WHEREAS, it is expected that approval will be sought and obtained from the Department, approving the Second Amendment;

NOW THEREFORE BE IT ORDERED AS FOLLOWS:

Section 1. The City Council hereby finds and determines that:

a. Pursuant to Title 30-A M.R.S.A. Section 5226(5) pertaining to TIF district and development program amendment, this Second Amendment does not result in the District being out of compliance with any of the conditions of 30-A M.R.S.A. Section 5223(3) which include the percentage of area the District that is suitable for commercial use, the IF acreage caps for single TIF districts and for all TIF districts in the City, and the total TIF district valuation cap.

b. The adoption of the Second Amendment will make a contribution to the economic growth and well-being of the City of Saco and the surrounding region, and will contribute to the betterment of the health, welfare and safety of the inhabitants of the City of Saco, including a broadened and improved tax base and economic stimulus, and therefore constitutes a good and valid public purpose.

Section 2. Pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, the City Council hereby amends the Park North Omnibus Municipal Development Tax Increment Financing Development Program and adopts the Second Amendment, all as more particularly described in the Second Amendment presented to the City Council and such Second Amendment is hereby incorporated by reference into this vote as the Development Program for the District.

Section 3. Pursuant to the provisions of 30-A M.R.S.A. § 5227, the percentage of the increased assessed value to be retained as captured assessed value in the District is hereby established as set forth in the Development Program.

Section 4. The City Administrator, or his duly appointed representative, is hereby authorized, empowered and directed to submit the proposed Second Amendment to Department for review and approval pursuant to the requirements of 30-A M.R.S.A. § 5226(2).

Section 5. The foregoing adoption of the Second Amendment shall automatically become final and shall take full force and effect upon receipt by the City of approval of adoption of the Second Amendment by the Department, without requirement of any further action by the City, the City Council, or any other party.

Section 6. The City Administrator, or his duly appointed representative, is hereby authorized and empowered, at his discretion, from time to time, to make such revisions to the documents adopting the Second Amendment as he may deem reasonably necessary or convenient in order to facilitate the process for review and approval of the Second Amendment by the Department, so long as such revisions are not inconsistent with these resolutions or the basic structure and intent of the Council in adopting the Second Amendment.

I. (Public Hearing): Order regarding “Second Amendment to Maine Molecular Quality Controls Omnibus Municipal Development and Tax Increment Financing District Development Program (District #14) to be renamed Mill Brook Omnibus Development and Tax Increment Financing District.”

This TIF amendment application proposes a name revision from a business name to the subdivision name of Mill Brook and proposes amendment to the Development Program’s project list for consistency with the City’s other TIF’s. Staff provided background information at the January 14th workshop and for the first reading on January 22nd. On January 22nd, the Council moved to schedule a public hearing on this item. The public hearing notification was published

in The Journal Tribune on January 24, 2019, and a copy of this amendment application has been on file with the City Clerk's Office for public inspection.

Councilor Smart Moved, Councilor Doyle Seconded to open the public hearing, waive the reading of, and enter into the minutes as if read, the Order regarding the 'Second Amendment to Maine Molecular Quality Controls Omnibus Municipal Development and Tax Increment Financing District Development Program (District #14) to be renamed Mill Brook Omnibus Development and Tax Increment Financing District for February 19, 2019.'

Motion Passed with seven (7) Yea's

There was no public comment.

Councilor Smart Moved, Councilor Minthorn Seconded to close the public hearing, and further move to schedule the final reading of the Order regarding the 'Second Amendment to Maine Molecular Quality Controls Omnibus Municipal Development and Tax Increment Financing District Development Program (District #14) to be renamed Mill Brook Omnibus Development and Tax Increment Financing District for February 19, 2019.'

The Motion Passed with seven (7) Yea's.

**CITY OF SACO, MAINE
COUNCIL ORDER**

**Amending the Mill Brook Omnibus Municipal Development
Tax Increment Financing Development Program**

WHEREAS, the City of Saco (the "City") is authorized pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, to designate specific areas within the City as the Mill Brook Omnibus Tax Increment Financing District ("the District") and to adopt a development program for the District (the "Development Program"); and

WHEREAS, on January 5, 2015, the Saco City Council (the "City Council") designated the District and adopted a Development Program for the District (the "Original Development Program"), which received the approval from the Maine Department of Economic and Community Development (the "Department") on March 30, 2015; and

WHEREAS, on **November 20, 2017** the City adopted the First Amendment to the Original Development Program (as amended, the "First Amendment") to correct Original Assessed Value, acreage and related tax increment revenue projections and tax shifts; and

WHEREAS, the City desires to adopt this Second Amendment to the District and Development Program (the "Second Amendment") to continue to achieve the District's original goals; and

WHEREAS, the City Council has held a public hearing on **February 4, 2019**, upon at least ten (10) days prior notice published in a newspaper of general circulation within the City, on the question of amending the Original Development Program in accordance with the requirements of 30-A M.R.S.A. § 5226; and

WHEREAS, the City Council has considered the comments provided at the public hearing, both for and against the adoption of the Second Amendment, if any; and

WHEREAS, it is expected that approval will be sought and obtained from the Department, approving the Second Amendment;

NOW THEREFORE BE IT ORDERED AS FOLLOWS:

Section 1. The City Council hereby finds and determines that:

a. Pursuant to Title 30-A M.R.S.A. Section 5226(5) pertaining to TIF district and development program amendment, this Second Amendment does not result in the District being out of compliance with any of the conditions of 30-A M.R.S.A. Section 5223(3) which include the percentage of area the District that is suitable for commercial use, the IF acreage caps for single TIF districts and for all TIF districts in the City, and the total TIF district valuation cap.

b. The adoption of the Second Amendment will make a contribution to the economic growth and well-being of the City of Saco and the surrounding region, and will contribute to the betterment of the health, welfare and safety of the inhabitants of the City of Saco, including a broadened and improved tax base and economic stimulus, and therefore constitutes a good and valid public purpose.

Section 2. Pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, the City Council hereby amends the Mill Brook Omnibus Municipal Development Tax Increment Financing Development Program and adopts the Second Amendment, all as more particularly described in the Second Amendment presented to the City Council and such Second Amendment is hereby incorporated by reference into this vote as the Development Program for the District.

Section 3. Pursuant to the provisions of 30-A M.R.S.A. § 5227, the percentage of the increased assessed value to be retained as captured assessed value in the District is hereby established as set forth in the Development Program.

Section 4. The City Administrator, or his or her duly appointed representative, is hereby authorized, empowered and directed to submit the proposed Second Amendment to Department for review and approval pursuant to the requirements of 30-A M.R.S.A. § 5226(2).

Section 5. The foregoing adoption of the Second Amendment shall automatically become final and shall take full force and effect upon receipt by the City of approval of adoption of the Second Amendment by the Department, without requirement of any further action by the City, the City Council, or any other party.

Section 6. The City Administrator, or his or her duly appointed representative, is hereby authorized and empowered, at his discretion, from time to time, to make such revisions to the documents adopting the Second Amendment as he or she may deem reasonably necessary or convenient in order to facilitate the process for review and

approval of the Second Amendment by the Department, so long as such revisions are not inconsistent with these resolutions or the basic structure and intent of the Council in adopting the Second Amendment.

J. (Public Hearing): Order regarding “First Amendment to Saco Downtown Omnibus Municipal Development and Tax Increment Financing District Development Program (District #15)”

This TIF amendment application proposes a correction to the original assessed value and acreage of the District. Staff provided background information at the January 14th workshop and for the first reading on January 22nd. On January 22nd, the Council moved to schedule a public hearing on this item. The public hearing notification was published in The Journal Tribune on January 24, 2019, and a copy of this amendment application has been on file with the City Clerk’s Office for public inspection.

Councilor Johnston Moved, Councilor Minthorn Seconded to open the public hearing, waive the reading of, and enter into the minutes as if read, the Order regarding the ‘First Amendment to Saco Downtown Omnibus Municipal Development and Tax Increment Financing District Development Program (District #15).

The Motion Passed with seven (7) Yea’s

There was no public comment

Councilor Johnston Moved, Councilor Smart Seconded to close the public hearing, and further move to schedule the final reading of the Order regarding the ‘First Amendment to Saco Downtown Omnibus Municipal Development and Tax Increment Financing District Development Program (District #15) for February 19, 2019.

The Motion Passed with seven (7) Yea’s.

**CITY OF SACO, MAINE
COUNCIL ORDER**

**Amending the Saco Downtown Omnibus Municipal Development and
Tax Increment Financing Development Program**

WHEREAS, the City of Saco (the "City") is authorized pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, to designate specific areas within the City as the Saco Downtown Omnibus Tax Increment Financing District ("the District") and to adopt a development program for the District (the "Development Program"); and

WHEREAS, on February 21, 2017, the Saco City Council (the "City Council") designated the District and adopted a Development Program for the District (the "Original Development Program"), which received the

approval from the Maine Department of Economic and Community Development (the "Department") on August 7, 2018; and

WHEREAS, the City desires to adopt this First Amendment to the District and Development Program (the "First Amendment") to continue to achieve the District's original goals; and

WHEREAS, the City Council has held a public hearing on February 4, 2019, upon at least ten (10) days prior notice published in a newspaper of general circulation within the City, on the question of amending the Original Development Program in accordance with the requirements of 30-A M.R.S.A. § 5226; and

WHEREAS, the City Council has considered the comments provided at the public hearing, both for and against the adoption of the First Amendment, if any; and

WHEREAS, it is expected that approval will be sought and obtained from the Department, approving the First Amendment;

NOW THEREFORE BE IT ORDERED AS FOLLOWS:

Section 1. The City Council hereby finds and determines that:

a. Pursuant to Title 30-A M.R.S.A. Section 5226(5) pertaining to TIF district and development program amendment, this First Amendment does not result in the District being out of compliance with any of the conditions of 30-A M.R.S.A. Section 5223(3) which include the percentage of area the District that is suitable for commercial use, the TIF acreage caps for single TIF districts and for all TIF districts in the City, and the total TIF district valuation cap.

b. The adoption of the First Amendment will make a contribution to the economic growth and well-being of the City of Saco and the surrounding region, and will contribute to the betterment of the health, welfare and safety of the inhabitants of the City of Saco, including a broadened and improved tax base and economic stimulus, and therefore constitutes a good and valid public purpose.

Section 2. Pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, the City Council hereby amends the Saco Downtown Omnibus Municipal Development Tax Increment Financing Development Program and adopts the First Amendment, all as more particularly described in the First Amendment presented to the City Council and such First Amendment is hereby incorporated by reference into this vote as the Development Program for the District.

Section 3. Pursuant to the provisions of 30-A M.R.S.A. § 5227, the percentage of the increased assessed value to be retained as captured assessed value in the District is hereby established as set forth in the Development Program.

Section 4. The City Administrator, or his/her duly appointed representative, is hereby authorized, empowered and directed to submit the proposed First Amendment to Department for review and approval pursuant to the requirements of 30-A M.R.S.A. § 5226(2).

Section 5. The foregoing adoption of the First Amendment shall automatically become final and shall take full force and effect upon receipt by the City of approval of adoption of the First Amendment by the Department, without requirement of any further action by the City, the City Council, or any other party.

Section 6. The City Administrator, or his/her duly appointed representative, is hereby authorized and empowered, at his discretion, from time to time, to make such revisions to the documents adopting the First Amendment as he may deem reasonably necessary or convenient in order to facilitate the process for review and approval of the First Amendment by the Department, so long as such revisions are not inconsistent with these resolutions or the basic structure and intent of the Council in adopting the First Amendment.

K. (Final Reading) PD Asset Forfeiture Funds

A federal asset forfeiture revenue share in the amount of \$17,391.00 was erroneously booked as police revenue in the General Fund and fell to the unassigned fund balance at the end of FY 2018. This motion appropriates the amount from the unassigned fund balance in the General Fund and transfers it to the correct account in the Federal Asset Forfeiture special revenue fund.

Councilor Smart Moved, Councilor Doyle Seconded, and be it ordered that City Council approves the second and final reading of 'Budget Amendment #8 FY 2019'."

The Motion Passed with seven (7) Yea's.

L. (Second and Final Reading) Contract Zone-Wireless Telecommunication Facility at 644 Main Street

Applicant L&M Properties, Inc., proposes to erect a 130 foot tower on a fenced 100'X100' portion of the property at 644 Main Street. Wireless Telecommunication Facilities are not an allowed use in the B-2b zone. The applicant hopes to lease space on the tower to multiple carriers. A contract zone (CZ) is the only option that would allow a cell tower to be built and operated in this location. There is precedent for cell towers being allowed via contract zoning; there are WCF's on Industrial Park Road, Rte. One and Flag Pond Road. WCF's are conditional uses in the I-1 and I-3 zones (Mill Brook Business Park). Elsewhere, such facilities would be subject to contract zoning.

The applicant was approved for a CZ at this location for the construction of an identical wireless facility in May 2014. In January 2015, the applicant obtained site plan approval from the Planning Board. The applicant did not obtain necessary approvals and permits from the City within the allotted timeframe of the contract zone provisions, which nullified the contract zone.

This item was again reviewed by the Planning Board at its Oct. 16 meeting. The Board arrived at a positive finding on each of the four standards found in Sec. 230-1405 (E), and voted to forward a positive recommendation to the Council.

Councilor Doyle Moved, Councilor Gay Seconded and be it ordered that the City Council approve contract zone document entitled 'Contract Zone Agreement By and between L&M Properties, Inc. and the City of Saco,' dated September 23, 2018, for the property identified as Tax map 42, Lot 9-1, as authorized by Section 1405 of the Zoning Ordinance, pursuant to 30A M.R.S.A. Section 4352(8)."

Councilor Minthorn Moved, Councilor Gay Seconded, to amend the contract zone to include the provision that if and when the proposed tower was no longer in use, that the owner of the property would be responsible for taking it down, and would provide the City with a performance bond that would be made known during the site plan review process.

The Amendment Passed with six (6) Yea's and one (1) Nay, Councilor Archer voting in the minority.

The Motion Failed with three (3) Yea's and four (4) Nay's, Councilors Gay, Doyle, and Minthorn voting in the minority.

VIII. ADMINISTRATIVE UPDATE

MEMORANDUM

TO: Mayor Lovell and City Council
FROM: Kevin L. Sutherland, City Administrator
DATE: February 4, 2019
RE: Administrative Update

Requests for Proposals

As part of the City's Purchasing Policy, we're sharing these announcements of Request for Proposal.

Ocean Park Road Storm Drain Infrastructure Improvement Project

The City of Saco is soliciting bids for the Ocean Park Road Storm Drain Infrastructure Improvement Project. Bids must be submitted on the bid response form in a sealed envelope marked "Ocean Park Road Storm Drain Infrastructure Improvement Project". Bids will be accepted until 2:00 PM on Wednesday, February 20, 2019 at the Finance Office at Saco City Hall, located at 300 Main Street, Saco, Maine, 04072. There will be a public opening of all bids received at that time.

Route 1 Sewer

The City of Saco is soliciting bids for the Route One Sewer Extension Project. Bids must be submitted on the bid response form in a sealed envelope marked "Route One Sewer Extension Project". Bids will be accepted until 2:00 PM on Wednesday, February 27, 2019 at the Finance Office at Saco City Hall, located at 300 Main Street, Saco, Maine, 04072. There will be a public opening of all bids received at that time.

A pre-bid conference will be conducted at the Saco City Hall, first floor conference room, located at 300 Main Street, Saco, Maine on Tuesday, February 19th at 1:00 PM. Contractors are encouraged to attend this pre-bid conference; however, it is not mandatory. An addendum summarizing questions raised at the pre-bid conference will be issued by the Engineer

Both of these bids and others can be found on the City Website sacomaine.org/business

Tax Bills

The second installment tax bills will be mailed out Thursday, February 7th. Taxes are due by March 8th. Late payments will be accepted and the annual interest rate on the late payment is 8%.

Paychex

Paychex has been our priority over the last few weeks, but most last week and this week. We are in the process of switching from MUNIS software to Paychex. I want to thank the staff in Finance and Human Resources, specifically Glenys, Kristin, and MaryLou for their work to get us here. I also want to thank the directors and admin staff for their support and willingness to work together to get this project across the finish line, and the rest of staff for their patience in this change in procedure.

W-2

W-2's went out to all staff last week. This is last time the process will have been run through MUNIS. Senior Volunteers did not receive W2s, as they were not paid through the payroll system in 2018. Senior volunteers who had worked for the city in the fall were paid through payroll on February 1st and their time was deducted from their tax bill.

Foreclosures

In January, we have a list of properties that have gone to foreclosure and will require Council action. Given the amount of work Paychex has required of staff, the discussion on foreclosures has to be pushed to March. We'll introduce this at the March Workshop.

Community Rating System

Last week, we submitted our annual application for Saco's inclusion in the Community Rating System administered by FEMA's National Flood Insurance Program. We've submitted an application with enough credits to receive a Class 8 rating, one of the highest in the state of Maine from 2016. This provides required private properties within the flood zone an automatic discount of 10% on the insurance. The lower the Class, the higher the discount. You can learn more about the program [HERE](#). I hope in future years, we have the staff time and resources to be a leader in the program in Maine.

Recycling Educational Mailer

Council received a copy of the proposed mailer last week. At this point, we're moving forward with what was proposed. This will occur prior to the implementation of a tagging program. We'll use the everyday direct mailing address through USPS to get this to homeowners and renters before the program begins.

Personnel Committee

The Personnel Committee met on January 22nd and discussed the long list of policies that need to be reviewed and possibly amended. In addition, there have been requests for new policies that should be considered. At the meeting, the members of the committee present were supportive of prioritizing the list and focus should first be on the employee handbook. Once the paychex system is up and running, HR will shift gears and begin reviewing policies with the Personnel Committee for the Council to consider.

Zoning Survey

Our Zoning survey resulted in 1,080 responses, so yes – your City Administrator kept his word and jumped in the ocean in January. Unfortunately waiting until the last day of the month which also happened to be in the middle of a polar vortex and no ambulance on deck because a major structural fire, but alas, prevailed. A special thanks to all the people that came out to support me and experience how truly dumb this challenge was.

Upcoming Information and Feedback Sessions

Camp Ellis ACOE Jetty

Tuesday, February 5th (tomorrow) from 7pm to 8pm in the City Hall Auditorium, members of the Saco Bay Erosion will discuss the various options and look to the community for direction before bringing that option to the Council and then back to the ACOE.

Zoning Charrette

This Thursday, February 7th, we'll host a community charrette at the People Choice Credit Union from 6pm to 8pm on the second floor. (What's a Charette? It's a meeting in which all stakeholders in a project attempt to resolve conflicts and map solutions.) Based on the information we gathered from the zoning survey, we've identified six small group topics and further discussion questions for: Route 1; Transportation; Waterfront Amenities and Climate Change Impacts; Rural and Suburban Areas of the Community; Parks & Recreation; and, Housing. The final half hour will be dedicated to Saco's Downtown and all attendees will take part in that discussion. The information gathered from this community input meeting will be used to assist City Staff in the revised Zoning Ordinance. If you'd like to participate and have not already signed up, we have a few additional openings. Please contact Torie Gorman at 282-4191 or by email TGorman@sacomaine.org.

Route 112/Exit 36

The third and final Public meeting on the Route 112 / Exit 36 Area Study will take place on Wednesday February 13th, 2019 at 6pm in the City Hall Auditorium. This meeting will be a chance to review the aggregated data, hear from the experts on their recommendations, and listen to the public about their thoughts on those recommendations. Much of the information about this topic and previous meetings can be found on the [City Website](#).

Portland Area Comprehensive Transportation System (PACTS) Sub-Regional Meeting

[PACTS](#) will be hosting a series of sub-regional meetings to engage with elected officials and senior municipal staff from the Southern PACTS Subregion (Scarborough, Saco, Old Orchard Beach, Biddeford, Arundel) on topics important to the region, such as:

- A) Gaining perspective and understanding on what's happening in our state and our region in the areas of housing, transportation, and education. What are some important high-level trends in the region? And what are those trends telling us about what will be important for our individual communities and the region as a whole?
- B) Gathering community input and ideas for priority regional transportation projects that can address the area's greatest transportation needs so PACTS can target funding to the most beneficial transportation projects over the short and long term.
- C) Discuss the region's policy priorities so GPCOG's advocacy work does the best job possible including the issues that are most important to the community

We pulled some strings to get the meeting to be held here in Saco in the Auditorium on Thursday, February 21st from 6pm to 8pm.



IX. COUNCIL DISCUSSION AND COMMENT

Councilor Johnston: "I would just like to thank and commend the Saco Fire Department and ambulance service and Police Department for the outstanding job they did at that fire on Rte. 9. It was a challenging situation and they handled it remarkably, from what I am told. I drove by after the fact, but I can only imagine what it looked like when it was fully engulfed and being able to operate so close to other structures and at 3 degrees."

Councilor Copeland: "To piggy-back on that, the coordination was incredible. You have school busses there so that the firemen could warm in them, and they did a really spectacular job getting the word out that the road was closed, school busses were re-routed, it was quite incredible and I'm very thankful for them. I have lots more: I did email Council on this and Mayor Lovell, you have informed me that even though I made a request of City staff, or from the Administrator, I don't go to the staff directly as we were taught when we first came on board here, so I have been told from you that it is considered only from me as an individual resident and not as a city councilor, and you recommended that I use this time now, during Councilor Comments to bring up the items that the requests have been received by the staff as from the entire Council, or the Council as a whole, and not just me as an individual. I find that to be ludicrous, but I will do it – you have asked me to. So, I have asked for information that I haven't gotten, one of them is regarding the tree cutting on Saco Island East, and I finally got a copy of the agreement, but still what I initially asked for, and this is five or eight times, going to multiple people, I have never determined the amount that that was for and that that amount has been received. I thought it was going to be in a bond, but I now understand that it came into the City coffers. I don't know the amount and it has not, to me, been confirmed. So, I think that, I am hopeful that my colleagues will agree that when there is a situation when an agreement has been reached and the money is specifically and pointedly talked about when it is going to come in, what it's going to be and in what form. So, I know the agreement says they have a year to comply, but that wasn't the year to put the money aside, and I still don't know how much the money is. So, I think that we are entitled to know that, it's going to be Spring, I understand that they can't re-plant right now, but I think that is an important thing for us to know about. Another item I want to talk about is the Personnel Committee. It has come to my attention through multiple contacts that some people are telecommuting with the City and that there is no policy on that. I would have to say that, and I would hope that we would all agree, that City staff is here for the service of the City, which includes the residents. So, where they are not here, and I can certainly understand the world is going toward telecommuting: We don't yet have a policy, and it's not advertised, and people have a reasonable expectation that when they have a need, they can come to City Hall and have that addressed immediately, not just on Mondays or Tuesdays or whatever. So, I would like to know, and I think that we all should know, which departments use this telecommuting, and I also learned then that, and I understand that this is a department, not a committee, but I would think, and please help me if I am correct, Mr. Administrator, personnel department meetings have agendas. Are they restricted from public viewing?" (Mr. Sutherland said that agendas for the Personnel Committee can be made available. Those meetings are not public meetings, they are committee meetings, but the agendas can be made available to the public.) "I understand that they have not been. So I think that because we do strive to be a

transparent community, that those things should be posted, even if you have to speak in general terms, of you know, confidential personnel matter, that understandable.”

Mr. Sutherland said: “The committee’s intent is not to be about personnel matters, the intent of the meeting is to review policy and make recommendations to the council for editing or revising.”

Councilor Copeland said: “I understand that you just met on January 22nd, and I am wondering if the issue of telecommuting has been brought up and if it has been advertised or not?”

Mr. Sutherland said: “I believe the H.R. Director brought it up at the meeting that I was not at, and mentioned a whole host of policies that at some point the Council needs to consider. But again, we are so focused on pay checks right now that we can’t be chasing this down right now.”

Councilor Copeland: “I understand that, but let’s be clear that we have staff that needs to be accessible, so I would propose, and ask my colleagues to agree or not disagree, but at least understand and please accept this as a request from the Council to prioritize creating a policy on telecommunications for us to consider and to have people available to the public.”

Mayor Lovell: “First of all, Mr. Sutherland, if the Agenda is prepared and shipped to Emily Roy, she will post it so that it’s a link on the website. And it is a policy committee, so it doesn’t handle personnel matters as defined in Title 1, so therefore it doesn’t need to go into Executive Session.”

Councilor Minthorn: “Mr. Mayor, the Policy Committee as originally formed was specific to represent the non union staff and give them a place. If the Policy Committee is now going to morph into a policy committee for personnel policy, we should probably re-create it in that form. Because right now, the form it’s in is rather specific to non union staff, and not really addressing our personnel policy issues as a whole.”

Mayor Lovell: “Thank you for reminding us because that is true, the original Personnel Committee wasn’t handling the policy as much as it was dealing with the non union staff, except not in a confidential matter, so they didn’t go into Executive Session. And that does seem to have morphed in this particular session of the Council, because I was away from the Council for a couple of years...”

Councilor Minthorn: “The first two years that I was on the Personnel Committee during my first term, we never had a meeting.”

Councilor Johnston: “They only met when there was an issue and there wasn’t any issue, so it has morphed into something else.”

Mayor Lovell: “So what we really need to do is to have a change in the City Code, that redefines what the Personnel Committee does.”

Councilor Minthorn: “That ought to be our first objective.”

Mr. Sutherland: “Here is the biggest challenge that I have. I have two HR staff who are stretched so thin, I cannot ask them to focus on one off policies that do need to be developed if there are concerns from Council. I completely agree with you. But the challenge is that I need to know which policy should be addressed first, and that committee said that we focus on the Employee Handbook, so we focus on getting that handled first, and then there are about fifteen other policies that have to be addressed as part of that.

Mayor Lovell: “I think employee handbooks are updated on a fairly regular basis.”

Councilor Copeland : “Certainly a telecommunication policy would appear in an employee handbook.”

Mr. Sutherland: “Eventually”.

Mayor Lovell: “Councilor Copeland has a list and so I would like her to go further and then we will ask all the other councilors who would like to speak now.

Councilor Copeland: “I do want a list of which departments are using that benefit. I think that we should have that. The next one is something that I have brought up multiple times. Committee Chairs, I believe, should come before this Council to update us on what their goals are, what they are working on, identify progress that they have made and the obstacles they face. Reading the Committee minutes is not enough, besides for the fact that all minutes are no posted on line. Reading minutes does not inform us fully on the efforts of the committees and what is happening within them, so one hand does not necessarily know what is going on with the other hand, so I think we should communicate more. I am asking that the City Administrator and the Mayor put that on the agenda as a committee update, understanding that sometimes, time won’t allow.” My final issue, and it’s a very strong one, and it’s not meant against any individuals here, I am talking about policy. Recently, there was a coordination with another municipality regarding recommending changes to be presented to our state legislature proposing reduction of oversight by the Saco River Corridor Commission in our downtown areas. It was presented to me as reducing duplications. I strongly disagree with that. I have read it, and I think that they are things that we should be thinking about considering having our Conservation Commission advise on, and the fact that this kind of went under the wire, even our own local representative who lives here in Saco didn’t know that this was happening and we’re trying to get copies of what the language was, and finally we got it, and it has to be clear that council sets policy, not administration, not staff. The Council sets policy, that’s our role, we were elected, and that is our job. So, it took a long time to get this information and we are all taken by surprise, and our community is entitled to a transparent government. And as one of the leaders of this community, as a member of this council, I think that we all, when we ask for something, ought to be able to get that information. I understand that we have limited staff. I also understand that we increased staff substantially, so that we could have bigger discussions about the future of our beautiful community, and I just feel like this one, particular item just really got me in the side and I will not support this, in any way, shape, or form, as it is now, to reduce oversight of the Saco River Corridor in our downtown area.”

Councilor Doyle: "I would like to agree with Councilor Copeland's remarks, and the only thing I would add is maybe it's something where we mirror like the School Board Agenda, where you put the committee liaisons instead of the committee chairs. You put the committee liaisons from the councils to report. Sometimes it might not be necessary because where you are discussing, the very topic that you discussed, twenty minutes before the Council Meeting in a committee, but needless to say, maybe it that's the one thought that I would put out there is that we mirror the schoolboard. The other thing that I wanted to bring up is that I was told the tax bills had already gone out by Kevin at the last meeting, and unfortunately, they haven't gone out. And I bring this up because maybe we put the recycling information messaging into the tax bill because regardless of the resident who lives in the home, the homeowner gets it. And if the homeowner gets it, the homeowner understands that their taxes may increase because that's where we need to let folks know what is going on and hopefully they put down to their tenants, and if not, we can still do the other side of the coin as well and get it out to the renters, but the point is that tax bills are already going out to the homeowners, so we should try to kill two birds with one stone, as the old saying goes, and put information in there as well."

Councilor Gay: "I have just a suggestion, if anyone makes a motion and somebody seconds it, is it permissible for someone to raise their hand – it cuts out the guesswork for the Mayor."

Mayor Lovell: " Councilor Smart does that"

Councilor Minthorn: "We should be able to craft a quick paragraph to redo the Personnel Committee, I would think, that we could approve, and we can work that at the workshop or whatever and finish it next week on the 11th, and then we can be done with it."

Mr. Sutherland: "You don't need to make it an ordinance."

Councilor Minthorn: "Yes, all we need to do is make it a single vote item, because it's a policy change not an ordinance change."

Councilor Johnston: "I have several comments, but they are all the same subjects over again. I am in agreement with Councilor Doyle with the idea of having council liaisons reporting back if there is anything worthy of reporting. On the subject of trees on the island, Mr. Administrator, when was that agreement struck?" Mr. Sutherland: "Last January".

Mayor Lovell: " I actually believe it was the sixth of February."

Councilor Johnston: "Then this council was seated. The only reason that I'm getting at is at some point we were notified. I remember being notified of it in an email or something. I don't think it addresses the amount, but I think I remember \$50,000.00." Mr. Sutherland: "It was \$50,000.00, which was set aside in a bank account on behalf of the City of Saco at TD Bank, and I just today got the information out of Code Enforcement so that we could get it to Council, I just forwarded it to you. What it has is the agreement, and it has the agreement for TD Bank holding onto those resources and it has an action plan that was going to be taken within the first six months. Those actions were taken, the only thing that hasn't been done is tree planting, and that

was tied to the one year time frame of the agreement. However, we are now in Winter time when we can't plant trees. So the Idea is that we are going to hold off on planting the trees, until after either a project gets approved, or we plant trees." Councilor Johnston: "My point last week to you, and I am sharing it with Council is that I know there is a rush or a desire to have trees there again, but ultimately I think that if it's possible, if there is nothing governing us that says that we have to go plant trees, at this point, the developer has already missed the date, and so we have the money, and so we might as well hold onto the money and plant trees when a developer comes forth, and that way we aren't planting trees that will be in the way of a project."

Councilor Copeland: "Do we actually have the money?" Mr. Sutherland: "It is being held on our behalf by TD Bank. Yes, we have the money?" Councilor Copeland: "It's been verified?" Mr. Sutherland: "Yes, it's in the agreement."

Mayor Lovell: "So if you read the document, he actually has until August, so he still has some time available. Then the City has the authority to take the \$50,000.00 out of TD Bank and do the planting, but my guess is by that time, Mr. Saultnier will have his act together. And I did respond to Councilor Copeland's question of where I was coming from that it's a Council activity, so I have a quote there from the City Charter and a request to Mr. Sutherland to ask the City Solicitor at the next workshop to clearly identify where that is."

Councilor Johnston: "Going back to the telecommuting issue, I think that a policy should be in place, I wouldn't disagree, but at the same time the Administrator has the final say over personnel and he's not the first administrator who has allowed these things, so getting on him about it is what I am getting at. It's well within his right to say X employee can or cannot. But I do agree, we probably should have a policy, because there are several issues with liability there that should be in place."

Mr. Sutherland: "I just want to respond to the Saco River piece – that is on the Agenda for workshop next week. I want to fully disclose that this was an effort on the Biddeford Council, the Administrators, Council, the Mayor, were present during the discussion with SRCC, including the representatives of both communities. They are fully aware of what our concerns are, we talked about how to address them in different fashions, and ultimately Biddeford moved forward with the proposal that I forwarded to Council two weeks ago. That is all that has happened in terms of, it was rushed, so it wasn't even mentioned back in November when we met with their Council, because it wasn't even on our radar screen yet. So, I am bringing something to you that has now been taken to the State, because it's a State action, and I will be looking to the Council to further disclose what it means, what our impact for our community would be, related to that, and then have discussion and ultimately a vote from the Council. I'd like to get support from the Council so that as I am up there, advocating for this, or not, if the Council isn't supportive of it, I will not be supportive of it. But I had to be in a position where Biddeford is moving it forward, now I have to bring it to my Council to see what they think about it."

Mayor Lovell: "And also, because I happened to see Senator Chenette this morning I invited him to go the workshop so that he will, not be a participant in the discussion, but he will hear where the Council is coming from in this discussion." Councilor Copeland: The

Conservation Commission is very interested in this and may attend.” Mayor Lovell: “Thanks for having them come by.” Mr. Sutherland: “I hope they will attend, because I would like to at least explain where the City Administrations are coming from in terms of trying to advocate for this.”

Councilor Archer: “Is there a reason why the joint Biddeford-Saco Committee wasn’t notified, because we had Councilor Smart on it and myself.” Mayor Lovell: “I wondered about that myself.” Councilor Archer: “Because when you start bringing in the Biddeford Councilors...” Mayor Lovell: “It seems as if it happened very spontaneously by Mr. Bennett. He invited a bunch of people in and spoke about it. But we do have that committee and they haven’t met, they haven’t discussed this, so I don’t know – perhaps Councilor Swanton and Councilor Ready aren’t in favor of it or didn’t know about it. Councilor Copeland: Why wasn’t this Council invited to it?” Councilor Archer: “That’s what this committee is that I’m bringing up.”

Councilor Doyle: “I just want to say that we continue to hear that ‘this was rushed, this was pushed forward, we don’t have enough staff, or we are under staffed.’ The Council has continuously increased staff at your requests. We have increased staff, and I’m not saying that you are not understaffed. Believe me, I get it. The City has grown, significantly. But we keep approving more staff, and we continue to hear ‘we are rushed, we don’t have enough time’. We continue to get emails at 6:00 o’clock for a 6:30 meeting. We are consistently still seeing the packet coming on Thursdays and Fridays still. How much more staff do we need to hire? Counselor Copeland pointed it out in her comments, Councilor Minthorn pointed out that we have actually hired more staff in our Planning and Economic Development, and we are now outsourcing more work to legal counsel, that we were doing in house before. That was in Councilor Minthorn’s email, I believe multiple emails. At what point does it stop, where does it stop? We shouldn’t be rushing things through. If it was rushed, we should stop and say: ‘Wait, does this need to happen right now?’ Just because you can do something doesn’t mean you should do something. Things can wait until the next legislative session. It’s one of those things where, everyone knows when cloture is, everyone knows when the new folks are elected in November you know that cloture is sometime in December or early January. So, if you want to start bringing up items to go to the legislature, that’s fine. But you know when the window is. It shouldn’t be rushed. It should be a conversation that is had far in advance. So, I hate hearing that we are rushed, that we don’t have enough staff, and staff is overworked, and I get it. I get it, we hear that, and we are trying to help. We have approved more and more positions. So, at some point, we have to say, well that’s not the only problem. Maybe we need to look internally at some other problems, that may be happening that may not get reported to Council, and maybe we are not aware of it, I don’t know. But I am just saying that we have got to look at that, in totality, we can’t just continually say: ‘Oh, we are rushed.’”

X. EXECUTIVE SESSION

Councilor Minthorn Moved, Councilor Smart Seconded, and 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)] (A) Evaluation of Officials – City Administrator’s Contract”.

Motion Passed with seven (7) Yea's.

Council Entered Executive Session at 9:39 P.M.

XI. REPORT FROM EXECUTIVE SESSION

Councilor Minthorn Moved, Councilor Smart Seconded to Move from the Executive Session. The Motion Passed with seven (7) Yea's. Time: 9:51 P.M.

Mayor Lovell recognized that all of the councilors were present.

Councilor Minthorn Moved, Councilor Smart Seconded that the City Council approves the City Administrator entering into a contract with Raymond Glacey for an amount not to exceed \$9,000.00.

The Motion Passed with seven (7) Yea's.

Councilor Copeland Moved, Councilor Smart Seconded to adjourn the meeting.

The Motion passed with six (6) Yea's and one (1) Nay, Councilor Archer voting in the minority.

Meeting adjourned at 9:52 P.M.

Attest: _____
William T. Rankin, Deputy City Clerk

DRAFT