



SACO CITY COUNCIL MEETING MINUTES MAY 11, 2026 - 6:30 PM

CITY HALL AUDITORIUM

1. CALL TO ORDER

On Monday, May 11, 2026, at 6:30 p.m. a City Council meeting was held in the City Hall Auditorium.

2. RECOGNITION OF MEMBERS PRESENT

Mayor Jodi MacPhail recognized the members of the Council and determined that the Councilors present constituted a quorum. Councilors present: Douglas Edwards, Joshua Parks, William Doyle, Jeffrey Onnen, William Gayle, Tricia Huot, and Nathan Johnston. City Administrator Ryan Pelletier was also present this evening.

3. PLEDGE OF ALLEGIANCE

4. GENERAL

A. Arbor Week Proclamation

Mayor Jodi MacPhail read the official Arbor Day Proclamation into the record as follows:

The City of Saco is pleased to announce that we have been designated a Tree City USA city for the 16th year in a row by the Arbor Day Foundation. This recognition demonstrates the commitment that the Saco Parks and Recreation Department must ensure that Saco's urban landscape remains rich with a variety of tree species that are vibrant, healthy and safe.

Saco is celebrating Arbor Week this week, which is an excellent time to spotlight the work of our parks team and their dedication to keeping trees a vital part of Saco's community landscape. The Tree City USA program has been greening up cities and towns across America since 1976. It is a nationwide movement that provides the framework necessary for communities to manage and expand their public trees. Saco joins a select number of cities and towns in the state of Maine that share this recognition.

Arbor Week Proclamation

Whereas, In 1872, J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees, and

Whereas, this holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska, and

Whereas, In 1978, the State of Maine first celebrated Arbor Week during the 3rd full week of May, and

Whereas, trees can reduce the erosion of our precious topsoil by wind and water, cut heating and cooling costs, moderate the temperature, clean the air, produce life-giving oxygen, and provide habitat for wildlife, and

Whereas, trees are a renewable resource giving us paper, wood for our homes, fuel for our fires, and beautify our community, and

Whereas, trees, wherever they are planted, are a source of joy and spiritual renewal.

Now, Therefore, I, Judi MacPhail, Mayor of the City of Saco, do hereby proclaim May 17th through May 23rd, 2026 as Saco's celebration of Arbor Week!

In the City of Saco, I urge all citizens to celebrate Arbor Week and to support efforts to protect our trees and woodlands, and Further, I urge all citizens to plant trees to gladden the heart and promote the well-being of this and future generations.

5. COMMITTEE CORRESPONDENCE TO COUNCIL

6. PUBLIC COMMENT

The following individuals chose to speak:

- Phil Hatch, 19 Evergreen Drive
- Don Pilon, 16 Glenhaven Circle

7. APPROVAL OF MINUTES

Councilor Edwards moved, Councilor Huot seconded, to approve the minutes of the May 4, 2026, City Council meeting as written. The motion passed with seven (7) yeas.

8. CONSENT ITEMS

Councilor Johnston moved, Councilor Edwards seconded, to approve consent agenda items #A, #B, and #C as follows:

A. Notice of Election for the Budget Validation Referendum Election, June 9, 2026 - Be it Ordered that the City Council approve the Notice of Election for the Budget Validation Referendum Election scheduled for Tuesday, June 9, 2026. Further move to approve the Order.

B. Confirmation of Warden and Ward Clerk Appointments - Be it ordered that the City Council confirm the appointments of Andrew Caron as Ward 6 Warden, Mary Ellen McCurley as Ward 4 Ward Clerk, and Bryan Pringle as Ward 7 Ward Clerk. Further move to approve the order.

C. Confirmation of the Mayor's Appointment to the Portland Area Comprehensive Transportation System (PACTS) Policy Board - Be it Ordered that the City Council confirms the Mayor's appointment of Deputy City Administrator Cole-Prescott as the primary representative on the PACTS Policy Board. Further approve the order.

The motion passed with seven (7) yeas.

9. ACTION ITEMS

A. (Public Hearing/Final Reading) Maine Community Development Housing Assistance Grant (12 School Street)

Councilor Johnston moved, Councilor Onnen seconded, to open the Public Hearing. The motion passed with seven (7) yeas.

There were no public comments.

Councilor Johnston moved, Councilor Doyle seconded, to close the Public Hearing. The motion passed with seven (7) yeas.

Councilor Johnston moved, Councilor Doyle seconded, Be it ordered that the Saco City Council hereby approves the submission of a Maine Community Development Housing Assistance Grant Application on behalf of Project Home. The motion passed with seven (7) yeas.

B. Council Resolution for Adoption of the Fee Schedule for Fiscal Year 2027

Councilor Gayle moved, Councilor Johnston seconded, Be it ordered that the City Council amend the Fee Schedule to include the changes indicated in the May 11th Item Commentary; and further, to approve the fee schedule for Fiscal Year 2027 as amended. Further move to approve the Order.

Amendment #1 - Councilor Gayle moved, Councilor Doyle seconded, on page 38, under Chapter 211 Vehicles and Traffic Code is 211-18E Parking within 10ft of a Crosswalk, I would like to increase the current fee from \$35 and propose changing it for FY27 to \$50. The motion passed with seven (7) yeas.

Amendment #2 - Councilor Gayle moved, Councilor Doyle seconded, I'd also like to offer this same motion for section for Code 211-18F Parking within 20 ft of an Intersection for those same reasons, \$35 is the current fee and the proposed change that I'd like to make is to \$50. The motion passed with seven (7) years.

Mayor MacPhail called for a vote on the main motion as amended. The motion passed with seven (7) years.

C. Council Resolution for Adoption of the Fiscal Year 2027 Water Resource Recovery Department Budget

Councilor Huot moved, Councilor Edwards seconded, Be it Ordered that the City Council adopt the Fiscal Year 2027 Water Resource Recovery Department budget for the City of Saco, Maine as follows: Approve gross expenditures of \$5,844,665 to be offset by \$5,844,665 in anticipated revenues and other credits, which represents a 3% increase in the sewer user fee rate to \$10.10 per unit; And further, approve those appropriations, as determined necessary and appropriate by the City Administrator from those impact fee funds where available and corresponding with the estimates presented for approval in the City Administrator's budget book or as adjusted and presented to Council during the course of budget deliberations. Further move to approve the order. The motion passed with seven (7) years.

D. (Final Reading) Adoption of the Fiscal Year 2027 Municipal Budget

Councilor Edwards moved, Councilor Parks seconded, Be it Ordered that the City Council move to adopt an appropriation order for the adoption of the Fiscal Year 2027 budget, excluding all school, county, and TIF transfers per Section 6.06 and 6.07 of the Charter of the City of Saco, Maine as follows: Approve gross municipal expenditures of \$43,982,264. Expenditures to be offset by \$43,982,264 in anticipated revenue and other credits, which represents \$3,674,507 in anticipated state revenue sharing and \$14,436,293 in other local revenues (except those revenues received from the state for homestead exemptions and BETE reimbursement), with the net to be raised by local taxes. And further be it ordered that the approved amounts set in the following attached schedule titled CITY OF SACO FY2027 APPROPRIATION ORDER shall become a part of the City Clerk's records and shall designate the form of the City of Saco Budget for Fiscal Year 2027 as authorized under Section 6.04 of the Charter of the City of Saco, Maine. Further move to approve the order.

Amendment #1 - Councilor Johnston moved, Councilor Edwards seconded, Be it ordered that the City Council allocate \$300,000 from the Unassigned Fund Balance to the Committed Fund Balance for Affordable Housing for the future use towards the promotion, retention, and creation of an adequate supply of affordable housing for all economic groups as determined by Council. Further move to approve the order. The motion passed with seven (7) years.

Amendment #2 - Councilor Johnston moved, Councilor Edwards seconded, the City Council will transfer \$200,000 from the Unassigned Fund Balance to the Committed Fund Balance Infrastructure to support future active transport transit human powered projects as determined by Council. Further move to approve the order. The motion passed with seven (7) years.

Mayor MacPhail called for a vote on the main motion as amended. The motion passed with seven (7) years.

E. (Final Reading) Adoption of the FY2027-FY2031 Capital Program

Councilor Johnston moved, Councilor Gayle seconded, Be it ordered that the City Council approve the FY2027 -- FY2031 Capital Program as presented by the City Administrator, such Capital Program to also include up to but not more than a ten percent (10%) allowance for Lease Purchase Costs on 2027 Equipment, any savings to be applied to Capital Program costs for FY2027 --FY2031. Further move to approve the order. The motion passed with seven (7) years.

F. Council Resolution Approving School Budget for Fiscal Year 2026-2027

Councilor Onnen moved, Councilor Johnston seconded, Be it Resolved, pursuant to Title 20-A, sections 2307, 1485 and 15690, that:

1.The following school budget cost centers be adopted and approved for expenditure for fiscal year 2026-2027:

Regular Instruction - \$32,509,410; Special Education - \$13,110,431; Career and Technical Education - \$0; Other instruction - \$294,669; Student and staff support - \$3,535,739; System administration - \$1,350,982; School administration - \$1,547,689; Transportation and Buses - \$2,578,424; Facilities Maintenance - \$4,116,000; Debt Service and Other Commitments - \$910,960; All Other Expenditures - \$0.

The sum of \$59,954,304 be appropriated for the total cost of funding public education from Pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and the sum of \$20,583,081 be raised as the City's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act in accordance with the Maine Revised Statutes, Title 20-A, section 15688;

State Mandated Explanation: The City's contribution to the total cost of funding public education from Pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act is the amount of money determined by state law to be the minimum amount that the City must raise in order to receive the full amount of state dollars.

The sum of \$910,960 be raised and appropriated for the annual payments on debt service previously approved by the City's voters for

non-state-funded school construction projects and non-state-funded portions of school construction projects in addition to the funds appropriated as the local share of the City's contribution to the total cost of funding public education from Pre-kindergarten to grade 12;

State Mandated Explanation: Non-state-funded debt service is the amount of money needed for the annual payments on the City's long-term debt for major capital school construction projects that are not approved for state subsidy. The bonding of this long-term debt was previously approved by the City voters or other legislative body.

The School Board be authorized to expend \$59,954,304 for the fiscal year beginning July 1, 2026 and ending June 30, 2027 from the City's contribution to the total cost of funding public education from Pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act, non-state-funded school construction projects, additional local funds for school purposes under the Maine Revised Statutes, Title 20-A, section 15690, unexpended balances, tuition receipts, state subsidy and other receipts for the support of schools; and

The School Board be authorized to expend such other sums as may be received from federal and state grants and/or programs and/or other sources during the fiscal year for school purposes provided that such grants, programs or other sources do not require the expenditures of other funds not previously appropriated. Further move to approve the resolution. The motion passed with seven (7) yeas.

G. Council Resolution Approving Additional Local Funds for the School Budget Fiscal Year 2026-2027

Councilor Huot moved, Councilor Parks seconded, Be it Resolved that \$15,455,965 be raised and appropriated in additional local funds, which exceeds the State's Essential Programs and Services allocation model by \$15,455,965 as required to fund the budget recommended by the School board.

State Mandated Explanation: The additional local funds are those locally raised funds over and above the City's local contribution to the total cost of funding public education from Pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and local amounts raised for the annual payment on non-state funded debt service that will help achieve the school department budget for educational programs.

School board's Statement of Reasons for Exceeding Essential Programs and Services allocation model: The school budget proposed for the fiscal year exceeds the state's funding allocation model for various reasons. In general, (i) the model does not recognize the actual costs to operate and maintain the school program and curriculum; (ii) the state is not funding the model at 55% of the actual total cost of education; (iii) the state has added certain costs to the model without increasing available funding such as the state share of teacher retirement costs; (iv) the state has reduced or eliminated funding of costs necessary to operate the schools by such means as changing the student: teacher ratio, the student: ed tech, and other student: staff ratios and reducing funding of administrative costs.

(Note: Title 20-A, section 15671-A(5)(B) requires a separate, recorded vote for these additional local funds and approval by a majority of the full council. Section 15690 provides for the School board's Statement of Reasons to accompany the article as provided to the Council). Further move to approve the resolution. The motion passed with seven (7) yeas.

H. Council Resolution Approving Adult Education Budget Fiscal Year 2026-2027

Councilor Parks moved, Councilor Edwards seconded, Be it Resolved that \$ 151,503 be appropriated for adult education and that \$151,503 be raised as the local share; with authorization to expend any additional, incidental, or miscellaneous receipts in the interest and for well-being of the adult education program.

(Note: the adult education budget is separate from the school operating budget)

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

I. Council Resolution Setting the Fiscal Year 2027 Property Tax Due Dates and Interest Rates

Councilor Edwards moved, Councilor Doyle seconded, "Be it ordered that the City Council set the interest rate for delinquent FY2027 property taxes at 7%, set the refund interest rate of FY2027 tax payments at 3% and authorize the tax collector to accept prepayment of taxes not yet committed without having to pay interest on these prepayments, and to establish the due dates for tax payments as follows:

Payment for the first half due on October 14, 2026, with interest occurring from October 15, 2026, and payment for the second half due on March 10, 2027, with interest accruing from March 11, 2027. Amendment to EZ Pay due date: Continuation of the EZ Pay program for fiscal year 2027 with 8 monthly payments starting October 14, 2026, and ending May 14, 2027. Further move to approve the Order. The motion passed with seven (7) yeas.

J. Council Resolution Reconfirming the Authority to Apply Tax Payments to the Oldest Outstanding Tax

Councilor Doyle moved, Councilor Gayle seconded, Be it Ordered that the City Council accept the tax collection policy as presented pursuant to title 36 MRSA Section 906. Further move to approve the Order. The motion passed with seven (7) yeas.

K. Council Resolution Reducing Captured Value Percentage of Tax Increment Financing (TIF) Districts

Councilor Johnston moved, Councilor Huot seconded, WHEREAS, the City of Saco (the "City") is authorized pursuant to Title 30-A Maine Revised Statutes Section 5227(3)(D), as amended, to, by vote of the municipal officers, return to the municipal general fund any tax increment revenues remaining in a tax increment financing district's project cost account in excess of those estimated to be required to

satisfy the obligations the particulate tax increment finding districts' development project cost accounts;

WHEREAS, there is a need to spend taxpayer dollars on projects that are not approved project costs pursuant to the provisions of Chapter 206 in Title 30-A of the Maine Revised Statutes (the "TIF Statute"); and

WHEREAS, currently the Development Programs allow the City to capture one hundred (100%) of the increased assessed value in the indicated Districts; and

WHEREAS, according to the approved TIF Development Programs, the City deposits one hundred percent (100%) of the taxes paid on the captured assessed values (TIF Revenues) in to the City's project cost subaccount; and

WHEREAS, the City would like to lower the amount of TIF Revenues deposited in to the City's project cost subaccount and transfer a portion of those TIF revenues to the City's general fund.

NOW THEREFORE BE IT RESOLVES AS FOLLOWS:

Section 1. The City of Saco City Council, serving as the City's municipal officers, hereby votes to:

Capture the following approximate percentages of TIF Revenues, with the remaining approximate percentages of TIF Revenues to be returned to the general fund, as follows:

o Twenty-three (23%) percent of the TIF Revenues deposited in the City's project cost subaccount for the Industrial Park Road Omnibus Municipal Development District will remain in the cost subaccount for this District and approximately 77% of the TIF Revenues of this District will return to the General Fund to offset taxes for fiscal year 2027

o Twenty-four (24%) percent of the TIF Revenues deposited in the City's project cost subaccount for the 77 Industrial Park Road Omnibus Municipal Development District will remain in the cost subaccount for this District and approximately 76% of the TIF Revenues of this District will return to the General Fund to offset taxes for fiscal year 2027

o Thirty-four (34%) percent of the TIF Revenues deposited in the City's project cost subaccount for the Downtown Omnibus Municipal Development District will remain in the cost subaccount for this District and approximately 66% of the TIF Revenues of this District will return to the General Fund to offset taxes for fiscal year 2027

o Thirty-one (31%) percent of the TIF Revenues deposited in the City's project cost subaccount for the Spring Hill Omnibus Municipal Development and Tax Increment Financing District will remain in the cost subaccount for this District and approximately 69% of the TIF Revenues of this District will return to the General Fund to offset taxes for fiscal year 2027

o Forty-nine (49%) percent of the TIF Revenues deposited in the City's project cost subaccount for the Saco Island Building No. 4 Municipal Tax Increment Financing District will remain in the cost subaccount for this District and approximately 51% of the TIF Revenues of this District will return to the General Fund to offset taxes for fiscal year 2027

o Fifty-seven (57%) percent of the TIF Revenues deposited in the City's project cost subaccount for the Mill Brook Omnibus Municipal Tax Increment Financing District will remain in the cost subaccount for this District and approximately 43% of the TIF Revenues of this District will return to the General Fund to offset taxes for fiscal year 2027

o Seventy-four (74%) percent of the TIF Revenues deposited in the City's project cost subaccount for the Transit-Oriented Omnibus Municipal Tax Increment Financing District and Development Program will remain in the cost subaccount for this District and approximately 26% of the TIF Revenues of this District will return to the General Fund to offset taxes for fiscal year 2027.

Section 2. The Saco City Council understands that such determination shall mean that approximately fifty percent (50%) of the property taxes paid on the increased assessed value within the Districts for the fiscal year 2027 will go to the City's general fund. All tax increment financing revenues previously collected for each District shall continue to be used on each District's approved project costs as outlined in each District's approved Development Plan.

Section 3. The City Council may in the future, by vote, return the captured value percentage allocated to each project cost subaccount to a level consistent with the Development Program for the District for fiscal year 2027.

Section 4. The City Council will need to take action on reducing the percentage of TIF Revenues deposited into the City's applicable

Project Cost Subaccounts for the above-referenced TIF Districts. If action is not taken the percentage allocated to each of the Districts' project cost subaccounts will be to a level consistent with the terms of the Development Program for each of the above-referenced Districts.

Section 5. The City Administrator is hereby directed to notify the Department of Economic and Community Development of this Resolution.

Section 6. This Resolution shall take effect immediately on May 11, 2026. Further move to approve the Resolution. The motion passed with seven (7) yeas.

L. Council Resolution Approving Supported Entities FY27 City Council Recommended Budget on Page 144 of the Budget Book

Councilor Gayle moved, Councilor Edwards seconded, Be it Ordered that the City Council move to adopt the enclosed Revised Supported Entities Budget Book Page 144. Further move to approve the Order. The motion passed with seven (7) yeas.

10. ADMINISTRATIVE UPDATE

City Administrator Ryan Pelletier provided administrative updates.

11. COUNCIL DISCUSSION AND COMMENT

- Councilor Huot - I just want to say thank you to all the City Staff and the Department Heads and the School Department that have been coming to all these meetings that have put so much effort into this budget. Thank you.
- Councilor Edwards - I was going to say the same thing. So, I'll let that stand. I also wanted to thank whoever gave us water tonight. That's delicious. Thank you. Also, I wanted to remind the people in this room and the people who are faithful watchers probably are not these people, but if you can reach out to your friends, family who live in Saco, the weather's nicer now. There's no ice on the ground. If you are a driver, could you just think about this the local speed limits? Take it easy. There is no reason to have to tailgate. You're not going to go any faster the closer you are to the car in front of you. We need to have this be a safe city and I've seen a disturbing amount of people trying to run lights and blocking sections. Just use your head and if you see someone if you see something, let someone know. Thanks.
- Councilor Gayle - Just to echo, a big thanks to the City Administrator, the Deputy, and all the Department Heads. I've asked a lot of questions of most of the Department Heads, basically everyone. So, I really appreciate the quick turnaround and good conversations had with a lot of you. So, thank you.
- Mayor MacPhail - It was City Administrator Pelletier that thought of the water for everyone. City Administrator Pelletier - It was it was actually Michelle Beasley.
- Councilor Doyle - I also too would like to thank the City Administrator and staff and for all the things you do every day, not just in preparing the budget. You know, there's a lot of work that goes into operating a city that people don't see every day. So, thank you for all of that. I also would like to I hope now that the budget has passed and we'll go to referendum, I hope that we can finalize a contract with Thornton Academy. While I'm encouraged, as I understand from an email from the Mayor, that mediation has taken place. I find it very disappointing that we have to go to mediation with one of the oldest institutions with which the City of Saco participates in and is inclined to work with over 200 years of partnering with Thornton Academy. And we're at a point now where we have to go to mediation for a contract that we've had in place for a long time. We should just renew the current contract as is and move forward with this great institution that many of you if you walked doors like I have over the years, a majority of people move to Saco for the educational system. Both the regular grade schools but also and there's going to be a lot more of that by the way with the new schools coming in but also Thornton Academy. Thornton Academy is a gem that to this community. Therefore, I hope that we can get past this and move forward and repair whatever relationships have been damaged by these ongoing year after year issues with a contract that we should just renew and work with because again as the funding formula out of the state we get a bargain because it's an average from the top of the state to the bottom of the state with tuition. So again, I hope you know, I know the mayor was on a radio network talking about Thornton Academy and the battle of the bridge, right? And we all remember that. I even noticed that you put the beginning of the Alma Mater for Thornton Academy in one of your posts, right? So again, this is an institution that we should not be disagreeing with when it comes to educating the students of tomorrow and our children and then just looking at that long-term partnership. I hope this will put that to bed now that we've approved the budget and it will go forward to the voters. So, I'm encouraged to see this, and I hope that the mayor will help make that a reality.

12. ADJOURNMENT

Councilor Doyle moved, Councilor Edwards seconded, to adjourn the meeting. The motion passed with seven (7) yeas. Time: 8:00 p.m.

Attest: _____

Michele L. Hughes, City Clerk