

MINUTES OF CITY COUNCIL MEETING

APRIL 2, 2012

The meeting was called to order by Mayor Spencer, and upon roll call, the following members were found present: Pepin, Hebert, McCallion, Durkee, Tapscott, Witham, Jarvis and Sprague. Absent: Soldati.

MINUTES OF THE PREVIOUS MEETING.

Councilor Witham made a motion to approve the minutes of the 3/19/12 City Council Meeting. The motion was seconded by Councilor Pepin, and passed by a vote of 7 yeas, 1 abstention, Councilor Durkee abstaining.

COMMENTS BY VISITORS.

William Connor, 41 Pinewood Drive, said he watched the 3/20/12 School Board Meeting at which Back Bay Networks presented a school Technology Plan. He thought a few constructive tech-talk comments might be a helpful diversion from the daily commotion.

Mr. Connor said the presentation was forthright and informative. Some of the schools/SAU 56 computer systems were discussed, also several of the operational deficiencies of those systems were identified during the presentation. There were two spotlighted deficiencies he felt were comment-worthy.

- Teachers and students are having down time experiences waiting to get online because serving systems are inadequate in handling the incoming traffic with the following repercussions:
 - a. Compromising the degree of teacher effectiveness.
 - b. Frustration for the teachers not being able to commence with their lessons in an opportune fashion.
 - c. Unrecorded system failures being repaired without proper ticket documentation from staff and others.

Maybe a server upgrade or program remedy for these accumulative time degradation events is available.

- Staff and students are using a wide variety of devices ranging from the very latest to the outdated. Would it not make computer engineering sense to have everyone using the same up-to-date platforms?

He would advise that the School Board's long-range (3 year) technology plan might become a higher priority with additional academic oversight involvement from both School Board and the City Council as it reigns over the School Board's infrastructure spending.

They should both be provided with a new quarterly system update report to perhaps include the following random sample items:

- a. Areas of vulnerability.
- b. Sections of the service plan that are being utilized in descending order.
- c. Prioritized goals and their costs.
- d. Expenditures.
- e. Progress percentage of ongoing projects.
- f. Any achievements/improvements.
- g. Cost savings realized.
- h. Downtime/usage reports.
- i. Training requirements/costs.
- j. Location and age of equipment.
- k. Software in use and age.
- l. Fire suppression systems.
- m. PM status.

This relative information would be helpful for authorities when the computer network system and its integrated support components begin to exceed their standard shelf life, requiring replacement or upgrades, additionally allowing themselves to have an improved comprehension of this simple but complex system. Moreover, the students would have a beneficial advantage by being more technologically advanced by their predecessor's added efforts.

He would also suggest that a computer modeling method be utilized to create an updateable version of a "predictable equipment failure listing", with the potential capital improvement costs needed to replace or repair components.

In conclusion, he believes in light of the City's new-found spirit of collaborative efforts and that this is the type of project that would blend correspondingly into the City's Sustainability Committee's "province of expertise".

By having an in-house professional collective committee conduct an assessment to enhance the current plan, they could then provide their documented recommendations to Council and the School Board for future action.

COMMUNICATIONS.

VACHON, CLUKAY & CO. PC, BOB VACHON AND TAMMY WEBB – AUDITOR PRESENTATION OF FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDING JUNE 30, 2011.

Tammy Webb indicated the City received an Unqualified Opinion on its financial statements as of and for the year ended June 30, 2011.

During FY 2011, the City implemented two new pronouncements:

- GASB #51 – Accounting and Financial Reporting for Intangible Assets.

- GASB #54 – Fund Balance Reporting and Governmental Fund Type Definitions.

They continue to audit the City’s financial statements using the enhanced audit approach, which emphasizes the evaluation of both audit and fraud risks.

Statement of Net Assets

- Financial Highlights –
 1. Total assets of the City increased \$3.14M from the prior year.
 2. At fiscal year end, the City’s capital assets totaled \$59.6M, which is an increase of \$12.9M from the prior year.
 3. Total liabilities of the City decreased \$238,000 from the prior year.
 4. Net Assets at June 30, 2011 for the City totaled \$22.8M as follows:
 - a. \$21.1M invested in capital assets, net of related debt.
 - b. \$343,000 in restricted net assets.
 - c. The balance of \$1.35M in unrestricted net assets that is available to finance the City’s ongoing operations.

Statement of Activities

- Financial Highlights –
 1. Total expenses of the Governmental Activities increased by \$706,000 (2.1%) from the prior year.
 2. The increase in expenses was more than offset by the increase in revenues of the Governmental Activities of \$2.2M (6.3%) from the prior year.
 3. The expenses of the Business-type Activities increased by \$16,000 (0.4%) from the prior year. This includes the activity of the Water, Sewer, and Solid Waste Funds.
 4. Revenues of the Business-type Activities increased by \$499,000 (10.4%) from the prior year.
 5. The City remains financially sound even through these difficult economic times.

Government Funds – Balance Sheet

- Due to the implementation of GASB Statement #54, fund balance is now reported in five new categories: Nonspendable, Restricted, Committed, Assigned and Unassigned.
- Under the new reporting model, “Unassigned” fund balance replaces the former “Unreserved” fund balance.
- The implementation of GASB #54 changed the reporting of the General Fund for financial statement purposes. Effective with the year ended June 30, 2011, the Capital Reserve Funds and the Landfill Trust Fund are now reported as part of the General Fund.
- The City has two major governmental funds: the General Fund and the School Capital Projects Fund.

- Total assets in the General Fund amount to \$14.7M, of which \$11.0M (75%) consists of cash and investments.
- Total liabilities in the General Fund amount to \$10.8M. The majority of this balance is due to deferred taxes that were not collected within 60 days after year end of \$1.2M and \$9.0M in prepaid taxes for FY12 that were due in July, 2011.
- Total fund balance of the General Fund on the modified accrual basis is \$3.9M as of June 30, 2011.
- The fund balance of the School Capital Projects Fund is \$3.0M.

Governmental Funds – Statement of Revenues, Expenditures and Changes in Fund Balances

- General Fund expenditures exceeded its revenues by \$94,000. Please note that there was a budgeted use of prior year fund balance to offset the tax rate.
- Construction of the new school continued during the fiscal year. Bond proceeds of \$14.4M were expended during the fiscal year.
- Other Governmental Fund revenues exceeded expenditures by \$759,000. This increase in fund balance pertains primarily to the approved transfer of funds of \$657,000 from the General Fund to eliminate the deficit in a debt service fund.

Enterprise Funds – Balance Sheet

- The City of Somersworth has three enterprise funds – the Water Fund, Sewer Fund, and Solid Waste Fund.
- Significant assets include the City’s investment in capital assets, net of accumulated depreciation:
 - \$7.5M in the Water Fund
 - \$16.5M in the Sewer Fund
- The Sewer Fund also has recognized a receivable from the State for its share of bonded debt. This is included in “due from other governments” and amounts to \$1.84M.
- Outstanding general obligation debt at year end is:
 - \$6.34M in the Water Fund
 - \$8.25M in the Sewer Fund
- Unrestricted net assets which represent the net difference between assets and liabilities are as follows:
 - \$34,000 in the Water Fund
 - \$1.46M in the Sewer Fund
 - \$17,000 in the Solid Waste Fund
 - The Water Fund and Solid Waste Fund are no longer in a deficit position!

Enterprise Funds – Statement of Revenues, Expenses and Changes in Net Assets

- Each of the City’s enterprise funds reported an increase in net assets during the fiscal year. There was another rate increase during the fiscal year to continue

repaying the General Fund for previously advanced monies AND the deficit unrestricted net assets balance has been eliminated.

- Operating revenues are:
 - \$2.3M in the Water Fund
 - \$2.5M in the Sewer Fund
 - \$385,000 in the Solid Waste Fund
- Operating expenses are:
 - \$1.7M in the Water Fund
 - \$1.8M in the Sewer Fund
 - \$338,000 in the Solid Waste Fund
- After accounting for the non-operating expenses (interest expense) and capital contributions, the change in net assets is as follows:
 - Increase of \$430,000 for the Water Fund
 - Increase of \$505,000 for the Sewer Fund
 - Increase of \$47,000 for the Solid Waste Fund

Enterprise Funds – Statement of Cash Flows

- The increase in usage rates had a positive effect on the cash flows of the City's enterprise funds. Cash and cash equivalents increased as follows:
 - Increase of \$291,000 in the Water Fund (there was a negative cash flow of \$182,000 in the prior year).
 - Increase of \$709,000 in the Sewer Fund (the prior year increase was \$39,000).
 - Increase of \$31,000 in the Solid Waste Fund (the prior year increase was \$14,000).

General Fund Budget and Actual Comparison

- Total revenues and other financing sources exceeded budgeted estimates by \$423,000. Significant variances with estimates include:
 - Tax revenues were \$129,000 *more* than estimated.
 - Intergovernmental revenues were \$251,000 *more* than estimated.
 - Income from licenses and permits was *less* than the estimated amount by \$69,000.
 - Miscellaneous revenues were \$80,000 *more* than estimated.
- Total expenditures and other financing uses of \$34.2M were \$234,000 less than final budgeted amounts. Significant savings were in the following areas:

- City Management	\$21,000
- Finance and Administration	\$26,000
- Police	\$38,000
- School	\$78,000
- Actual expenditures exceeded actual revenues on the budgetary basis by \$50,000. However, \$707,000 of the prior year fund balance was used to offset the current year's tax rate.

Budgetary Fund Balance

The Budgetary Fund Balance is what is available to manage the City's tax rates. The change in budgetary fund balance is as follows:

Budgetary Fund Balance – beginning of year	\$4,297,178
2010-2011 excess expenditures over revenues	(49,855)
Ending Budgetary Fund Balance	\$4,247,323 *

* Includes nonspendable, assigned, and unassigned fund balance, details as follows.

The components of the Budgetary Fund Balance are as follows:

- Nonspendable:
 - Advance to other funds \$ 284,319
 - Prepaid expenses 20,738
- Assigned:
 - Designated for future years' expenditures 171,949
- Unassigned:
 - Undesignated \$3,770,317 **

ACTUAL PERCENTAGE 9.18%

** The City's fund balance policy is to strive to maintain an unassigned fund balance equal to 5-17% of the total appropriations of the community.

Federal Compliance Audit

- The City expended more than \$2.2M in federal awards, and a federal compliance audit was also performed. The prior year federal funding was \$3.9M.
- Of the federal awards, \$1.96M (88.3%) pertains to the School Department.
- As part of the federal compliance audit, the City's internal control over both *financial reporting* and on *compliance* with the federal awards were tested.
- One significant deficiency in internal control over *financial reporting* was identified and reported.
 - The City was designated as a fiscal agent to subgrant a federal grant award. The revenues and expenditures passed-thru to the other entity were not recognized within the City's general ledger.
- No deficiencies in internal control over *compliance* with the federal awards were identified.

Governance Communication

- The audit was conducted in accordance with generally accepted auditing standards.
- The auditors were able to satisfy themselves about all accounting estimates.

- All significant audit adjustments that were proposed have been recorded.
- There are no disagreements with management.
- To their knowledge, management did not consult with other CPAs.
- No unusual issues were discussed prior to their retention as auditors.
- There was a management letter issued regarding the operations of the student activity funds. A professional development workshop was held in January, 2012 to address these issues.

On behalf of herself and the members of the firm, Ms. Webb thanked the City for allowing them to serve as their independent auditors.

She also expressed their appreciation to the management team, especially the Finance Office within the City and the School Department, for their assistance during the audit.

Councilor Witham referred to Ms. Webb's remarks about improved cash flow in the Water, Sewer and Solid Waste Funds, and asked how she thinks this occurred.

Ms. Webb replied it was because the City had an increase in their rates. The money came in and the City increased its cash flow.

Councilor Witham remarked that the City changed to monthly billing rather than quarterly, and asked if she felt that would have a positive effect on cash flow.

Ms. Webb replied that it may.

Councilor Witham asked if her opinion is that in general we have very good practices, to which she replied in the affirmative.

Councilor McCallion said every year the audit gets better and better. He remarked that it is great the presentation was done in terms the people at home can understand.

Councilor McCallion said they had no control over the water and sewer funds. They had no choice but to raise the rates. We are in much better shape because of doing this.

Ms. Webb said there is still a deficit cash balance because they still owe the General Fund money. It is moving in the right direction.

Councilor Sprague said this was a great presentation. He asked if the fund balance should be higher.

Ms. Webb replied that is a tough question to answer. The Department of Revenue Administration recommends 17% but she does not know of many communities that have that high a fund balance.

Mr. Vachon commented that Somersworth is running a very efficient operation. It is important for people to know that when water and sewer rates are increased it does go towards the infrastructure also.

Councilor McCallion asked if she could elaborate on the issue with the activities fund at the school.

Ms. Webb said they were seeing that the internal controls were not quite solid with the activity funds. There was no oversight on certain things. They went over things with them to show them how things should be done. They got a better understanding of what they should be doing. The situation should be better moving forward.

Councilor Witham said we have made positive improvements with our Fund Balance situation. The City Council sets the overall policy. We have a very competent Finance Director with the assistance of the City Manager. We should thank them for this.

Mr. Vachon indicated the School Department should be commended also.

MAYOR'S REPORT.

Mayor Spencer reported the following activities:

- On 3/20/12 he attended a Managed Care Forum with Community Partners which was very interesting.
- On 3/21/12 he gave Cub Scout Pack 195 Webelos a tour of City Hall. This brought back memories for him since he was a Cub Scout and a Boy Scout.
- On 3/22/12 he attended a workshop, "Planning for our Local Water Supply" at the Strafford Regional Planning Commission. Dave Sharples was one of the speakers at the workshop.
- On 3/26/12 he attended the Budget Presentation here at City Hall. He thanked the Council members that made it to the presentation.
- On 3/27/12 Congressman Guinta's staffer David Tille held office hours at City Hall. He spoke with David after he met with constituents on having the Congressman come to the City for more events, especially for the elderly.
- On 3/29/12 he had a meeting with the Director for the Somersworth Youth Center.
- On 4/02/12 he attended the Skyhaven Airport Advisory Committee Meeting with the City Manager. If anybody is interested in being appointed to this committee they should let him know.

Mayor Spencer asked anyone who is interested in serving on any City boards or commissions to get in touch with him. There are several vacancies, and many terms expiring the end of April. The following boards/commissions have vacancies: Strafford Regional Planning Commission (2); Board of Library Trustees; Board of Assessors; Conservation Commission; Historic District Commission; Planning Board (3); Trustees of Trust Funds; Zoning Board of Adjustment (2).

REPORTS OF STANDING COMMITTEES.

Finance Committee: Councilor Jarvis reported this Committee will be meeting on 4/03/12 at 3:00 p.m.

Public Works & Environment Committee: Councilor Sprague reported this Committee will be meeting on 4/03/12 at 4:00 p.m.

Government Operations Committee: Councilor Tapscott reported this Committee met on 3/27/12 and discussed the following items:

- Charter Amendments review by City Attorney. They discussed suggested changes to sections 3.2-A as well as to 3.2-B "Vacancies, City Council". The Committee unanimously agreed with City Attorney recommendations. The recommended changes will go to the City Council and a public hearing will need to be held.
- Boards/commissions attendance update. They reviewed a memo from Director of Planning and Community Development Sharples. Planning Secretary Tracy Gora will contact all members (including alternates) in advance of meetings.
- Email communications to Council. They discussed the inconsistency of email communications versus written communications. Committee will review Council Rules & Regulations at future meeting.

Public Safety: Councilor Witham reported this Committee met on 3/30/12 and discussed the following items:

- **Fireworks Ordinance** – Fire Chief Bliss reviewed additional changes proposed in the City's Fireworks Ordinance as directed at the last Public Safety Committee Meeting. Councilor Hebert inquired about banning their use save for a few select holidays. Chief Crombie elaborated on enforcement difficulties. The fireworks ordinance will encourage the use of a permit that will be obtained for a fee of \$5. They have tried to streamline the permit process and the penalty for discharging permissible fireworks without a permit. The penalty would be anywhere from \$100 up to \$1,000. There are also some restrictions on times in which fireworks could be discharged, with some extra latitude around the New Year and 4th of July holidays. The Committee agreed unanimously on moving this forward to the full Council for their consideration.
- **Disposal/Donation of Fire Department Surplus Protective Clothing** – Fire Chief Bliss reviewed a communication from the Rollinsford Fire Chief requesting old, out-of-date gear for the Rollinsford Fire Dept. Explorer Program. Chief Bliss provided a memo outlining the availability of old gear that could be donated because it is more than ten years old and no longer meets code and performance standards. The Chief indicated the gear has no value. City Manager Belmore indicated that because gear has no value the committee could authorize its disposal/donation. Manager Belmore and Chief Bliss also outlined that if Somersworth were to establish an explorer program that additional surplus gear would be available by then through annual replacement. The Committee voted

unanimously to authorize the City Manager to dispose of surplus Fire Department protective clothing through donation to the Rollinsford Fire Department Explorer Program.

- **Crime Report Data** – Chief Crombie briefed committee members on 2011 Crime Report Data. The data showed a slight decrease from 2010 and the Chief indicated that the agency believes they can account for this drop. The Chief noted that so-called Incident Based Reporting can have varying input from one community to another and contended that Somersworth “reports everything”. Most activity reported involves criminal offenses such as drug possession, theft, criminal threatening and vandalism. The Chief indicated the Somersworth PD has not added another officer in the past 16 years despite increased activity. Chief Crombie answered a variety of questions from committee members.
- **Fire Department Recall** – Councilor Pepin inquired if the Fire Chief could provide a detailed breakdown of recall numbers, full time and call, for the past six months. Chief Bliss will provide the breakdown.

Recreation Committee: Councilor Pepin said this Committee will be meeting on 4/10/12. They will be discussing the Pine Street Park. He said that construction has already started at the Noble Pines.

REPORTS OF SPECIAL COMMITTEES

School Board: Councilor Pepin reported he attended a School Board meeting on 3/20/12. Tech support was there to give a presentation on the computer systems. When the School Board was going through the budget process, they were looking at technical figures. They needed to address looking at other contracts. They sent a proposal to various computer companies and they received some bids. A lot of questions were asked about the writing of the contract. The problem is there is not enough money to keep all the computers up to service. Some of their equipment is 15 years old. Technology is improving. There is a wish to get everything up and running. When there are over 20 students trying to use computers, the server doesn't work well. There were suggestions on how to fix that problem. It would be very costly to fix the problems.

They also discussed the kitchen area at Maplewood School. During February school vacation, they took everything out of the kitchen, cleaned it all up and painted it. During April school vacation, they will put in all the new equipment. Hopefully at that time the kitchen area will be complete and they will no longer need the van to transport food.

COAST Board of Directors: Councilor Pepin reported they met on 3/22/12. The following items were discussed:

- Seacoast Commuters Option. DOT approached COAST to manage this operation. This is a one to three year program where they can get funding to establish looking at different alternative routes and to economize by working with people and businesses by improving transportation routes.
- Three buses that were purchased in 2001 have over 400,000 miles. The motors and transmissions are going to be rebuilt and they went out to bid on that.

- Electronic Fare Boxes. The board members approved the COAST Management finding out if they could purchase second-hand fare boxes. This would be a big help. It would cut down on manpower and would track people coming in and out.
- Clipper Connection – they met with staff of Portsmouth Naval Shipyard. It seems to be going very well. They are also in discussions to expand two more routes, Rochester and south of the Great Bay area.
- Special meeting to be held on 4/11/12 to look at the fare structure due to the increased price of gas.

Joint Building Committee: Councilor Tapscott said their final report on construction of Idlehurst School is being prepared. They will be meeting during the first week after school vacation in April. They have a brass plaque ready to be placed on the wall.

CITY MANAGER’S REPORT.



**CITY OF SOMERSWORTH
Office of the City Manager**

TO: Mayor Matthew Spencer and City Council Members

FROM: Robert M. Belmore, City Manager

DATE: Friday, March 30th, 2012

**SUBJECT: City Manager’s Report for Monday, April 2nd, 2012
City Council Agenda**

6:45 p.m. Public Hearing

Community Block Grant Development Project

Attached is a packet of information provided by SHA Executive Director Beth Salinger who plans to attend.

New Business (under Section 13 of the Agenda):

Resolutions:

- A. Resolution No. 22-12 To Authorize the City Manager to Contract with a Qualified Vendor to Complete Signal Improvements at the High Street and West High Street Intersection.** Attached is a quote from Electric Light Company who has been servicing our signals for the past several years. Both Public Works and Finance Committees recommend approval. I understand a Council sponsor

will motion to waive Rules for a second reading and Council vote at this meeting due to the public safety aspect for this fix.

- B. Resolution No. 23-12 Authorizing the City Council to Create a Non- Capital Reserve Fund to be known as the Building Maintenance Fund for the Purpose of Unanticipated and/or Unplanned Maintenance for City and School Facilities.** The Finance Committee has forwarded this proposal for full Council consideration after meeting with City Staff and School Superintendent Mosca. I recommend Council schedule a Public Hearing on this matter prior to the next regular meeting as required by State Statute.

Other:

- A. Fire Chief Search.** Interim Fire Chief Don Bliss will present an overview of the Fire Chief process. Attached is a joint memo from the Chief and I.
- B. Charter Changes.** The Government Operations Committee will speak to this issue. Attached is a red-lined version of the City Charter that highlights the proposed changes.

City Manager's Items (under Section 9 of the Agenda):

A. Informational Items:

1. **Meetings with City Attorney and Special Legal Counsel.**
 - A. Monday April 9th at 6 p.m., Sunningdale Property & other Land Issue: I recommend a meeting with City Attorney Walter Mitchell at this date/time.
 - B. Monday, April 16th at 6 p.m., Sanitary Landfill Superfund Site: I propose an attorney-client meeting with Special Counsel, Attorney Mark Believeau.
 - C. Monday, April 23rd at 5:30 p.m., presentation of options in regards to a bonding instrument relative to City and School CIP – capital projects. The School would be primarily HVAC, and the City would be improvements to High Street from West High Street to the Bridge in regards to both the infrastructure, water and sewer drainage improvements, sidewalk improvements, and repavement.
 - D. The Mayor has authorized me to move forward and set the date of Thursday, April 19th from 6:00 p.m. to 9:00 p.m. There will be a mini-City officials workshop which would cover such topics as the right-to-know law, retirement issues, legislative review and updates on what is happening in Concord. If you have any ideas on what you would like the legal staff of the Local Government Center to cover please forward them to me. Also, please let me know if you are going to be able to attend. We are inviting other board members, as well as elected officials and board members

from Dover and Rochester. We would like to give the folks from LGC a ballpark idea about how many people will be attending.

2. **Somersworth-Berwick Bridge Project.** Attached is a letter from NH DOT regarding the use of Safety Transportation Improvement Program (STIP) funds to up-grade the railroad crossing in connection with the Bridge Project. The funding does fall into two categories Railroad Protective Devices (Signals) that are currently 100% Federal funds and Hazard Elimination (Surface) that are currently 90% Federal funds and 10% City funds. Preliminary estimates were prepared with Railroad Signals estimated at \$120,000.00 and the Railroad Surface was estimated at \$130,000.00. Upon receipt of a signed letter of commitment from the City of Somersworth, for the city's portion estimated at \$13,000.00. The Department will initiate programming a federally funded project.

Since Council has already approved Resolution No 21-12, and unless Council directs otherwise, I will send a commitment letter regarding the City's \$13,000.00 estimated share.

3. **Liberty Mutual Volunteer Project.** I have been contacted by Liberty Mutual in regards to offering the City, employee volunteers who would complete a project on June 21 and 22 as part of their 100th anniversary celebration. It would be at no cost and for every 50 volunteers we use, the company would donate \$1,000 towards needed supplies. Projects might include painting, landscaping, or park/school ground clean-ups. I will be asking department heads to offer ideas but I wanted to both inform and ask the City Council for any ideas. I gave our desire to participate as well as our appreciation. I agreed to report back to Liberty Mutual by the end of the week.

B. Attachments:

1. End of the Fiscal Year Report from City Accountants Vachon Clukay & Company.
2. Budget Hearing Public Notice for April 23rd, 7 p.m.
3. Otis Road Code Violation Memo from City Manager dated March 29, 2012.
4. City Recreation & School Department/SYC MOU-agreement signed by City Manager 3/12/12.
5. City Attorney Certification on Resolution 22-12.

Councilor Witham indicated the meeting on 4/09/12 with Sunningdale is very important. We need to understand where we stand on this.

After discussion among Councilors, the following schedule of meetings was agreed on:

- 4/09/12 @ 6:00 p.m. – Meeting with City Attorney Walter Mitchell regarding Sunningdale Property and other Land Issue.
- 4/14/12 @ 8:30 a.m. – Budget Workshop.
- 4/16/12 @ 6:00 p.m. – Meeting with Special Attorney Mark Beliveau regarding Sanitary Landfill Superfund Site.
- 4/16/12 @ 6:45 p.m. – Public Hearing on Non-capital Reserve Fund.
- 4/16/12 @ 7:00 p.m. – Regular City Council Meeting.
- 4/19/12 @ 6:00 p.m. – Area elected officials workshop with LGC.
- 4/23/12 @ 5:30 p.m. – Workshop on Options Regarding Bonding Instrument.
- 4/23/12 @ 7:00 p.m. – Public Hearing on FY 2012-13 Budget.

Councilor Sprague spoke regarding the bridge project. He reiterated with the City Manager that the signals will be paid for 100% by the feds. He asked what exactly is a railroad surface.

The City Manager indicated when the engineers come in June he is hoping they will have more details as far as what surface improvements would be needed. He asked if any staff members might know what some of the improvements would be to the surface as opposed to the signals.

Motion by Councilor Sprague to suspend the rules to allow Public Works Director Willis to speak. The motion was seconded by Councilor Witham and passed unanimously.

Mr. Willis indicated the railroad surface would be in the area of the right-of-way within the railroad. It is only 10' away from the abutment. There will likely be some abutment work in there so that would cover the area within the railroad right-of-way. They would also re-lay some tracks if necessary.

Councilor Sprague said he does not know why we are paying 10%.

NOMINATIONS, APPOINTMENTS AND ELECTIONS.

WARD 5 WARD BOUNDARY REVIEW COMMITTEE.

Councilor Witham indicated that Brian Tapscott was the person with the next highest number of write in votes at the November Municipal Election. He would like to see this seat filled so the committee can begin their work.

The appointment of Brian Tapscott as the Ward 5 Ward Boundary Review Committee member passed by unanimous voice vote.

BOARD OF LIBRARY TRUSTEES.

Mayor Spencer nominated Donna Donovan, term to expire 02/2016. Mayor Spencer indicated the nomination will be voted on at the next meeting.

NEW BUSINESS.

RESOLUTION NO. 22-12 TO AUTHORIZE THE CITY MANAGER TO CONTRACT WITH A QUALIFIED VENDOR TO COMPLETE SIGNAL IMPROVEMENTS AT THE HIGH STREET AND WEST HIGH STREET INTERSECTION.

Somersworth, NH

April 2, 2012

WHEREAS, the traffic and pedestrian signals at the intersection of High Street and West High Street have come under disrepair due to age as well as damage to the road sensors; and

WHEREAS, the City Council views this as a public safety issue and needs to be repaired as soon as practical; and

WHEREAS, City staff has solicited a cost estimate of \$10,300 to complete necessary signal improvements from a qualified vendor,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOMERSWORTH THAT the City Manager is authorized to contract with a qualified vendor to complete signal improvements at the High Street and West High Street intersection for the estimated cost of \$10,300 and to complete this project as soon as practical in the best interest of the City.

Introduced by Councilors

Dale R. Sprague

Brian Tapscott

Marcel Hebert

David Witham

Approved

City Attorney

Councilor Sprague moved to suspend the rules to have a second reading of this resolution tonight. The motion was seconded by Councilor Witham and passed unanimously.

Councilor Sprague said we have allocated money in next year's budget to address this problem, however it needs to be done now. We need to move forward with this.

Following the second reading of Resolution No. 22-12 by title, it passed by roll call vote of 8 yeas, 0 nays.

RESOLUTION NO. 23-12 AUTHORIZING THE CITY COUNCIL TO CREATE A NON-CAPITAL RESERVE FUND TO BE KNOWN AS THE BUILDING MAINTENANCE FUND FOR THE PURPOSE OF UNANTICIPATED AND/OR UNPLANNED MAINTENANCE FOR CITY AND SCHOOL FACILITIES.

Somersworth, NH
April 2, 2012

WHEREAS, the City of Somersworth, including the School Department, operate various buildings for public purposes; and

WHEREAS, the City Council and School Board recognize the need to maintain these facilities for essential City and School services; and

WHEREAS, issues arise from time to time that require unanticipated and/or unplanned maintenance and repairs on these facilities within a given fiscal year,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOMERSWORTH THAT the Somersworth City Council hereby establishes a non-capital reserve fund under the provisions of RSA 34:1-a to be known as the Building Maintenance Fund for the purpose of unanticipated and/or unplanned maintenance and repairs for City and School facilities; and

BE IT FURTHER RESOLVED THAT the Somersworth City Councilors are named as agents to expend this fund, that it shall be the policy of the City Council to make appropriations into this fund in future annual budgets in amounts that are equivalent to 50% of the previous year's School Department and City budget surplus, but not to exceed \$75,000 per year, and that it shall be the policy of the City Council not to exceed a total value in this non-capital reserve fund of \$400,000 excluding interest that may accrue on annual contributions.

Introduced by Councilors

Robin S. Jarvis
Dale R. Sprague
Jennifer Soldati

Approved:

City Attorney

Councilor Tapscott indicated we will need to schedule a public hearing for this resolution. It was agreed to hold a public hearing prior to the City Council Meeting on 4/16/12 at 6:45 p.m.

OTHER:

FIRE CHIEF SEARCH.

Councilor Pepin moved to suspend the rules in order to allow Interim Fire Chief Bliss to speak. The motion was seconded by Councilor Witham and passed unanimously.

Interim Chief Bliss presented the Council with a timeline of events in the recruitment process for a new Fire Chief:

- 9/01/11 – He began interim Fire Chief duties.
 - Analysis of department operations and issues
 - Interviews with department personnel and external stakeholders
 - Development of ideal candidate profile and challenge statement
 - Development of recruitment ad and recruitment process
- 10/17/11 to 10/23/11 – Ad ran in NH Sunday News, Fosters, and various online sites.
- 11/10/11 – Tentative timeline approved; start date goal is 3/01/12.
- 11/17/11 – Application deadline; received 45 resumes.
- 11/30/11 – Resume review and ranking completed.
- 12/06/11 – Essay questions sent to 22 candidates.
- 12/15/11 – Essay answers due from candidates.
- 01/05/12 – Telephone interviews with eight semi-finalists.
- 01/10/12 – Internet checks on three finalists.
- 01/26/12 – Professional panel interviews with three finalists.
- 01/30/12 – City Manager interview with one finalist; meeting with department heads.
- 02/01/12 – City Manager interview with second finalist; meeting with department heads.
- 02/02/12 to 02/12/12 – Preliminary background checks; administered and evaluated the Cleaver Synergy DISC Assessment on three finalists.
- 02/13/12 – Finalist rejected City offer and withdrew from the process (issue: ability to sell home in low housing market and afford residency in Somersworth); finalist #2 was eliminated due to residency issue; finalist #3 was eliminated due to suitability.
- 02/16/12 – Telephone interviews with three additional finalists.
- 02/22/12 – Professional panel interviews with second round of three finalists; meetings with City department heads.
- 02/23/12 to 02/27/12 – Preliminary background checks; administered and evaluated Cleaver Synergy DISC Assessment on one finalist.
- 03/01/12 – Finalist rejected City offer and withdrew from process due to family issues.
- 03/06/12 – MRI authorized to continue recruitment.
- 03/12/12 – Telephone interview with finalist.
- 03/16/12 – Administered and evaluated Cleaver Synergy DISC Assessment.
- 03/21/12 – City Manager interview with finalist; meetings with City department heads.
- 03/22/12 to 02/23/12 – Preliminary background checks.

Unfortunately, two very qualified candidates turned down the City's offer of employment due to personal reasons. Another highly qualified candidate could not satisfy the City's residency requirement. If the first candidate had accepted the offer in a timely manner, we would have been very close to meeting the original March 1st goal of having a new Fire Chief on board. Although we have missed the deadline, we believe that the City and MRI have exercised due diligence and extreme care to ensure that a highly qualified candidate is selected for this critical position.

MRI conducts numerous executive recruitment processes throughout New England every year. It is not unusual for a thorough recruitment and selection effort to take six to nine months in order to ensure that the most qualified candidate is chosen who fits the needs and expectations of the community. A recent fire chief recruitment in Massachusetts took nine months; a current recruitment in Massachusetts began in October and will be completed in the coming weeks. We know of non-MRI recruitment efforts for city/town managers and school superintendents in New Hampshire that typically take six to nine months. And of course, the City has no control over whether a finalist will accept our offer of employment.

The City Manager indicated a candidate has accepted a conditional offer of employment. We will now start an in-depth background check – motor vehicle, criminal, reference check, etc. He will also undergo a physical to make sure he is in good health and able to fulfill the duties of Fire Chief and Emergency Management Director. He is anxious to move to the community.

The City Manager said they do not have a firm start date yet, but it will be either May or June. Until that time, Don Bliss will continue acting as Fire Chief and Emergency Management Director.

Interim Chief Bliss said they are committed to making sure the process is done right, to find the right candidate that fits this community. It will take a few more weeks, but he feels they will be happy with the outcome.

City Manager Belmore said it has been a pleasure to work with Chief Bliss. He looks forward to finalizing some things they have been working on over the next couple of months. He has moved the City and the Department forward in a very commendable fashion. His hard work is appreciated.

Councilor Witham said the search has taken quite a bit of time, and it is well articulated why it does when it's a high level search. It was a strong request of Council to do a high level search so that we will get a high level candidate in here. He applauds those efforts. In the end, we will all benefit from that.

Councilor Witham also thanked Chief Bliss for his service.

Councilor McCallion commended the people at MRI as well as Chief Bliss. He has always been a believer in hiring slow and firing fast.

Councilor Durkee said the City Council did receive some correspondence about this from a concerned citizen. He asked if the City Manager or Chief Bliss could talk about what process the City Council has in hiring these people. He feels that would be a good public reminder of what our role is with this type of process.

Councilor Durkee said the other thing he would like them to comment on is the residency requirement and how that plays a role on the types of candidates we can hire and why it is important for a Fire Chief to live within our community.

Chief Bliss said he is personally a big believer that a Fire Chief, as a major department head, as someone who is making decisions about spending your tax dollars, should also be a taxpayer. It is also important for response time, availability, and awareness about what is going on in the community. In today's housing market and today's economy, it makes it very challenging.

City Manager Belmore said when he first became City Manager, it also included being Emergency Management Director (EMD). He transferred that duty to the Fire Chief. Most communities have the Fire Chief as the EMD. For this reason also, it is important for the Fire Chief to be a member of the community.

The City Manager said that in regards to personnel issues, per the City charter he is also the Personnel Director. It is nice to get expert assistance when we do these searches from time to time. In regards to personnel issues, there is a non-interference clause in the City charter which precludes the City Council and the Mayor from interfering in personnel matters, or hiring and firing. This is similar to charters in other communities that have a City Manager/City Council form of government. This is to take the politics out of the hiring/firing process.

Councilor Durkee said these processes are not closed because of lack of interest informing the public, it has to do with personnel issues. He commended the City Manager. Anything we can share with the community we certainly will.

VOTE TO AMEND CHARTER CHANGES AS RECOMMENDED BY THE GOVERNMENT OPERATIONS COMMITTEE, AND TO SCHEDULE A PUBLIC HEARING FOR MAY 7, 2012.

Councilor Tapscott indicated the City Attorney reviewed their proposed changes, and also recommended an additional change, which the Committee agreed to.

The proposed changes are:

- Revise Article I, Section 1.3, first sentence of last paragraph, by deleting the words "vote or".

- Revise Article III, Section 3.2(A) by inserting the following language after the first sentence: “The appointed Councilor shall fulfill the duties of Councilor until two (2) weeks after the date of said election, at which time the qualified person elected by the voters to serve the remainder of the term shall assume office.”
- Revise Article III, Section 3.2(B), by adding the following language at the end of the paragraph: “The appointed Councilor shall fulfill the duties of Councilor until two (2) weeks after the date of said election, at which time the qualified person elected by the voters to serve the remainder of the term shall assume office.”

Councilor Tapscott said he would like to get a vote from the City Council to move these proposed changes to a public hearing prior to the May 7th, 2012 meeting at 6:45 p.m.

Councilor Pepin moved to accept the proposed changes and have a public hearing on 5/07/12 at 6:45 p.m. The motion was seconded by Councilor Witham and passed unanimously.

CLOSING COMMENTS BY COUNCIL MEMBERS.

Councilor Tapscott said he believes we are well within the limits of nitrate levels set by DES and the EPA in the new permit process. He wants to make sure that even with the lower levels that our Wastewater Treatment Plant still meets the criteria.

The City Manager said we are awaiting our new EPA permit. Hopefully we will get good news.

Councilor Durkee referred to the charter changes. In light of the fact that we had a Mayoral vacancy he suggested that the Government Operations Committee look at the latter part of Section 3.5(B). He feels there are inconsistencies there and they should be cleared up. It seems small and inconsequential, but it is important. It might be worthwhile.

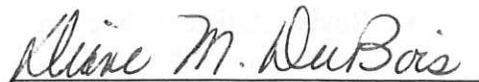
Councilor Tapscott said he agrees. The reason for the two weeks after an election is that the vote has to be certified at the next City Council meeting.

ADJOURNMENT.

Councilor Witham moved to adjourn. The motion was seconded by Councilor Durkee and passed unanimously.

The meeting adjourned at 8:45 p.m.

Respectfully submitted,



Diane M. DuBois, City Clerk