

MINUTES OF CITY COUNCIL MEETING
SEPTEMBER 26, 2011

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

COMMUNICATIONS.

LETTER FROM AMY MICHAELS.

September 13, 2011.

To: Diane DuBois
From: Amy Michaels

Hello Diane,

Now that I no longer live in Ward 4, I am resigning my position as Ward 4 Supervisor of the Checklist.

Amy Michaels

MAYOR'S REPORT.

Acting Mayor Tapscott announced there will be a Public Hearing at the Rochester Community Center on October 27, 2011 at 7:00 p.m. The Strafford Regional Planning Commission invited our public officials to attend a Gasset Public Hearing for our region. The purpose of the public hearing is to draft an upcoming ten-year plan for funding transportation projects in New Hampshire.

REPORTS OF STANDING COMMITTEES.

FINANCE COMMITTEE.

Councilor Jarvis reported this committee met on 9/15/11. They discussed the following items:

- Assessing property-cycled inspection program update. City staff reviewed the program with initial cycle to start in October. Informational outreach will begin the first week of October and will be posted on Channel 22, City website, press release, etc. Program will be completed over the next five years.
- Supplemental appropriation to address retirement rates (City & School). They reviewed the ordinance to appropriate Unassigned Fund Balance to address the increases in employer rates for Group I and II NH Retirement System. The Committee voted 3-0 to support the ordinance.

- Draft Fund Balance Policy (new GASB 54 requirement) – Finance Director Smith reviewed the draft with the committee. New statement changed the terminology. Committee agreed to move the draft to full Council.
- Review bid results for Malley Farm compost removal, water plant lagoon cleaning, and new sidewalk plows. There were three bids received and reviewed for the Malley Farm compost removal and Water Plant lagoon cleaning. There were three bids received for sidewalk plows, but not yet summarized. Committee voted unanimously to accept bid from Resource Management for Water Plant lagoon cleaning.

REPORTS OF SPECIAL COMMITTEES.

SCHOOL BOARD.

Councilor Pepin reported he attended a School Board Meeting on 9/13/11. The following items were discussed:

- The School Board received a check from Public Service for \$75,000 for the energy efficiency of the new school.
- The SAU staff sponsored a spaghetti dinner on 9/23/11 to support student activities. The dinner was very well attended.
- On 9/16/11 the Middle School had a flag presentation to honor all the people that were lost on 9/11.
- Discussion of Area Agreement between Rollinsford and Somersworth. If anyone is interested in reading the report, he will make it available to them.

SUSTAINABILITY COMMITTEE.

Councilor Jarvis reported this Committee met on 9/15/11. One of the projects they are working on right now is to provide more community garden space for Somersworth residents. They are looking at a couple of different sites and this should be in place before next year.

CITY MANAGER'S REPORT.



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

TO: Acting Mayor Brian Tapscott and City Council Members

FROM: Robert M. Belmore, City Manager

DATE: Friday, September 23, 2011

SUBJECT: City Manager's Report for Monday, September 26, 2011
City Council Agenda

New Business (under Section 13 of the Agenda):

Ordinances:

- A. Ordinance No. 7-12 Supplemental Appropriation to Address Increase in New Hampshire State Retirement Rates.** This Ordinance appropriates Unassigned Fund Balance for the purpose of addressing the increases in employer rates for Group II Police and Firefighters and Group I Teachers in the New Hampshire State Retirement System. Attached is a Memorandum from the School Superintendent and Business Administrator that outlines the shortfall in their budget. This Supplemental Appropriation is supported by the Finance Committee. Council will need to schedule a Public Hearing prior to the October 17th meeting at 6:45 p.m.

Resolutions:

- A. Resolution No. 12-12 Authorize the City Manager to Enter into a Contract with Resource Management Inc. of Holderness, NH for Water Treatment Plant Lagoon Cleaning.** Attached is a memorandum from Public Works Director Tom Willis that was discussed with the Finance Committee. Resource Management is the lowest responsible bidder and the company has successfully completed similar work for the City.
- B. Resolution No. 13-12 Authorizing the City Manager to Contract with Northland Holder of Turner, Maine for the Purchase of two Sidewalk Plows with Associated Equipment.** Attached is a Memorandum from Public Works Director Willis regarding his recommendation for this bid award. Finance Director Scott Smith is working on securing lease purchase quotes which should be introduced by Resolution at the next meeting. The proposed plan would be to use the \$59,000 in insurance reimbursement received and the \$13,500 in this fiscal year's approved budget as a total down payment of \$72,500 for the two sidewalk plows. The estimated annual payments for a five (5) year lease purchase is anticipated to be in the area of \$31,000 for the two purchases.

Other

- A. Set Hours for November 8, 2011 Municipal Election – 8:00 a.m. to 7:00 p.m.**
- B. Vote to Re-adopt the City "Investment Policy".** A copy of the present Policy is attached. City Administration has no recommendation for amendment and recommends re-adoption. This is an annual review and adoption practice required by the Policy.

C. Vote to Adopt a City “Fund Balance Policy”. This draft was presented to the Finance Committee who supports its adoption. City Administration recommends this Policy to meet a new GASB 54 requirement. The recommended 5-17% unassigned fund balance range for the General Fund recognizes the State of NH DRA recommended range as well as the GFOA recommended range. While the City Council has already been engaged in reviewing the City’s Fund Balance during the last few years; this Policy formalizes the requirement for an annual review during the budget adoption process.

D. Discussion of City Manager Evaluation Process – Councilor Witham.

E. Discuss Hilltop Elementary School Building Care Plans – Councilor Pepin. Attached is a Memorandum from City Planner/Interim Director of Development Services Dave Sharples regarding projected costs to heat the building this winter. The estimated heating fuel cost is \$3,900. +/- However, the system would require approximately \$15,000 of initial repair work.

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

A. Informational Items:

1. **Real Estate Property Cycled Inspection.** Attached is a packet of information provided to the Finance Committee regarding the start of the Council-approved Cycled Inspection Program. Initial field work will begin in October. Call back letters will be sent out in January 2012 with revisits running through March. Data changes will be reflected in the 2012 fall tax bill. Citizen informational outreach will include channel 22, website, e-newsletters, and press releases.

The plan is to complete a cycled inspection program over the next 5-years with the program then continuing annually thereafter. This program was selected as a more cost efficient approach that would preclude the need for a major city-wide re-valuation every 10 years. There is an attached color-coded map that depicts the areas by inspection year. Please note that these inspections are intended to verify and correct all property data on file. The value of an inspected property could decrease, increase, or remain the same depending upon the need for any corrections.

2. **Sunningdale Golf Club Inc.** The City Council was provided a recent letter from Attorney Fisher. In his correspondence, he has requested a meeting with City Council to discuss his property tax situation. Please advise.

I would ask that the Council consider a meeting with the City Attorney prior to the next regular meeting, at 6:00 p.m., to discuss our options in

regards to this real estate situation, and also another legal matter the City is engaged in.

3. **Malley Farm Compost Removal.** Attached is a Memorandum from Public Works Director Willis that compares the three bids received. The Finance Committee did vote to authorize a contract with North Hampton Trucking which should yield the City approximately \$10,000 in unanticipated revenue and free up needed space at our facility for this “Green Sustainable” compost practice.
4. **Wastewater Treatment Plant Bond Refunding.** Attached is a Memorandum outlining the results of the City’s refinancing of the State Revolving Loan for the Wastewater Treatment Facility. In a nutshell, the City reduced its 15 years of remaining debt financing from 3.488% to 2.5%. This will result in approximately \$370,000 in savings; the reduced principal & interest reduction ranging from \$19,000 to \$27,000 each year. I want to thank Council for your support and patience as City Administration closely monitored the market to take action at an opportune time. (Resolution No. 8-11, October/2010)

B. Attachments:

1. Department Head Monthly Reports.
2. City Planner 9/21/2011 Memorandum to City Manager on GE facade improvement work plan.
3. Memorandum from CM and EPA attachment letter on landfill test pit results.
4. Legal Opinion from City Attorney on JBC.

Councilor Witham said he appreciates the report on the two sidewalk tractors. We were able to limp along last year with the existing fleet, but the fleet now is zero. He wondered what the expected turn-around time would be if City Council votes to authorize the purchase of these two tractors.

Public Works Director Willis said it would be approximately 30 days.

Councilor Witham asked if the City Manager is looking for direction regarding Attorney Fisher’s request to meet regarding the Sunningdale Golf Club, to which the City Manager replied in the affirmative.

Council Witham requested that be added as a new item on the agenda under “New Business, Other, Item G – Discussion of Council’s desire to meet with Attorney Fisher regarding the Sunningdale Golf Club”.

NEW BUSINESS.

ORDINANCE NO. 7-12 SUPPLEMENTAL APPROPRIATION TO ADDRESS INCREASE IN NEW HAMPSHIRE STATE RETIREMENT RATES.

Somersworth, NH
September 26, 2011

THE CITY OF SOMERSWORTH ORDAINS THAT pursuant to Section 7.7(a) of the City Charter:

The annual budget for the City of Somersworth for Fiscal Year 11-12 is amended as follows:

Appropriate \$169,252 from Unassigned Fund Balance (surplus) to the Police, Fire, and School Department Sections of the FY 11-12 budget as follows:

Original Budget	Amendment	Revised Budget
Police \$ 2,980,376	\$ 33,975	\$ 3,014,351
Fire \$ 1,835,591	\$ 26,696	\$ 1,862,287
School \$24,091,075	\$108,581	\$24,200,556

Approved as to Funding:

Scott A. Smith
Director of Finance and Administration

Recorded by:

Diane M. DuBois
City Clerk

Background:

This ordinance appropriates Unassigned Fund Balance for the purpose of addressing the increases in employer rates for Group II Police and Firefighters and Group I Teachers in the New Hampshire State Retirement System.

Introduced by Councilors

Robin Jarvis
Michael X. Watman
Dale Sprague

Approved:
City Attorney

Following the first reading of Ordinance No. 7-12, it was referred to the next meeting.

RESOLUTION NO. 12-12 AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONTRACT WITH RESOURCE MANAGEMENT INC. OF HOLDERNESS, NH FOR WATER TREATMENT FACILITY LAGOON CLEANING.

Somersworth, NH
September 26, 2011

WHEREAS, the Fiscal Year 2011-2012 adopted budget contains an appropriation for lagoon cleaning at the Water Treatment Facility; and

WHEREAS, City staff solicited bids from qualified companies to clean and remove sludge from lagoons 2 and 3 at the Somersworth Water Treatment Facility and recommends contracting with Resource Management Inc. of Holderness, NH; and

WHEREAS, the City Council's Finance Committee has reviewed the recommendation received from City staff and supports this recommendation,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOMERSWORTH THAT the City Manager is authorized to enter into a contract with Resource Management Inc. of Holderness, NH for Water Treatment Facility lagoon cleaning.

Introduced by Councilors

Robin S. Jarvis
Michael X. Watman
Dale R. Sprague

Approved:
City Attorney

Following the first reading of Resolution No. 12-12, it was referred to the next meeting.

RESOLUTION NO. 13-12 AUTHORIZING THE CITY MANAGER TO CONTRACT WITH NORTHLAND HOLDER OF TURNER, MAINE FOR THE PURCHASE OF TWO SIDEWALK PLOWS WITH ASSOCIATED EQUIPMENT.

Somersworth, NH
September 26, 2011

WHEREAS, the fiscal year 2011-2012 adopted general fund budget contains an appropriation for a down payment toward the purchase of a sidewalk plow with associated equipment; and

WHEREAS, a sidewalk plow currently owned and operated by the City of Somersworth was damaged in a fire and covered by the City's insurance; and

WHEREAS, City staff prepared and accepted bids for the purchase of two sidewalk plows to replace the damaged sidewalk plow and acquire an additional sidewalk plow as planned; and

WHEREAS, City staff recommends contract with Northland Holder of Turner, Maine for the purchase of the sidewalk plows including associated equipment,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOMERSWORTH THAT the City Manager is authorized to contract with Northland Holder of Turner, Maine, at a cost not to exceed \$212,758 (Two Hundred Twelve Thousand Seven Hundred Fifty Eight dollars), for the purchase of a two sidewalk plows and associated equipment.

Introduced by Councilors

Robin S. Jarvis
Michael X. Watman
Dale Sprague

By Request

Approved:
City Attorney

Following the first reading of Resolution No. 13-12, it was referred to the next meeting.

Other:

SET HOURS FOR NOVEMBER 8, 2011 MUNICIPAL ELECTION – 8:00 A.M. TO 7:00 P.M.

Councilor Witham moved to accept the hours of 8:00 A.M. to 7:00 P.M. for the November 8, 2011 Municipal Election. The motion was seconded by Councilor McCallion and passed unanimously.

VOTE TO RE-ADOPT THE CITY “INVESTMENT POLICY”.

Councilor Watman moved that the City Council re-adopt the City Investment Policy. The motion was seconded by Councilor McCallion and passed unanimously.

VOTE TO ADOPT A CITY “FUND BALANCE POLICY”.

Councilor Witham moved to adopt the Fund Balance Policy as presented. The motion was seconded by Councilor McCallion.

Councilor Witham said it was pleasing to hear, in the City Manager’s Report, that our General Fund balance has improved significantly over the last several years. That is a credit to City staff guiding Council in the proper direction to get that number at a more

meaningful spot. This policy just brings in line the practice we have been working to succeed at.

The motion to adopt the Fund Balance Policy as presented passed by unanimous vote.

DISCUSSION OF CITY MANAGER EVALUATION PROCESS – COUNCILOR WITHAM.

Councilor Witham said that having gone through the City Manager evaluation process two times, it has occurred to him that there are some ways we can improve the process. He understands the process is guided by City ordinance, and that is orchestrated by the Government Operations Committee (GOC).

Councilor Witham said the process complies with the ordinance and succeeds at the basic mission of evaluating the City Manager. The process involves the GOC deciding on an evaluation mechanism. In his view, what seems missing in the process is more of an open dialogue with the City Manager about areas where the Manager excels and where there can be improvement.

Councilor Witham said he would like the Council to think about growing this process into more of a performance evaluation where it is more of a constructive process to build on the Manager's skill set and certainly to maintain those skills we think are worthy of high marks.

Councilor Witham said he found that the City of Dover has a handbook that is useful, particularly to new Councilors, as to the types of things that should be considered in evaluating a City Manager. One thing he likes is there is a section titled "guidance for future efforts by the City Manager". He feels that our evaluation process does not deal with a lot of guidance, and that is what he is looking for in future years.

Councilor Witham said there is also a section that states that a "combined written and oral evaluation is probably the most effective method of performing an evaluation". Our evaluation presently is primarily a written process, but it doesn't have the open dialogue with the City Manager that he feels he would desire.

Councilor Witham feels we have succeeded at doing a good job evaluating past performance, but he thinks the Council has to do more at fostering where we want to go moving forward.

DISCUSS HILLTOP ELEMENTARY SCHOOL BUILDING CARE PLANS – COUNCILOR PEPIN.

Councilor Pepin said he tagged along with Interim Fire Chief Don Bliss when he went through the Hilltop School building as requested by the Friends of Somersworth. As they went through the building he noticed that some of the heaters were partially disassembled and it looked like the system had been drained down.

Councilor Pepin said while going through the building he wondered why we haven't heard anything about the building being transferred over to the City. His concern is there is no heat in the building and that over a period of time that can create a lot of damage inside a building. Because of that, he wondered how much it would cost to heat the building just to keep it warm enough to prevent deterioration until it is decided in which direction we are going to go. We never addressed this issue during the budget process.

Councilor Pepin said he received information from the City Manager regarding the cost of heating the building. The cost floored him. First off, they would need to replace four burners and other repairs, which would run approximately \$15,000. Also, there is a question of whether or not the school has actually turned the building over to the City. He also noticed there is still some playground equipment up there.

Councilor Pepin said his questions are:

- When do we take over the property?
- What do we do to clean it up?
- What do we do to maintain it?

Councilor Pepin said we do not know which direction we are going in. He feels this could string out for a period of time. He doesn't see a quick fix. He is looking for guidance or recommendations on how much it will cost to maintain and what budget line it will come from.

Councilor Pepin said he does not endorse throwing a large amount of money into heating this building, but as time goes by, the more damage is done. It was suggested that this be forwarded to the Economic Development Committee and that they would meet with the Friends of Somersworth, but he doesn't think anything has been scheduled yet.

Councilor Witham said over the last couple of weeks the idea of possibly heating the building surfaced. His initial reaction to this was that even though we do not know what the long-range plan is for this building he thought heating the building made sense. When we received the memo from Planner Sharples he was taken aback by the price but he fully understands how those numbers are arrived at. It would certainly take a special appropriation to come up with the money. The way he looks at special appropriations, they should be for things that are unanticipated or emergent in nature that we couldn't foresee.

Councilor Witham said he thought about this during the budget process, but it is something we chose not to take action on. He struggles with the thought of a supplemental appropriation for this. If we were to fund this, he feels it should come from the operating budget and he is not sure where it would come from. He would have a hard time supporting heating the building at this cost.

Councilor Witham said the building right now is drained, it is dry, it does have electricity and it does have a fire alarm system. Introducing water into an unoccupied building,

particularly in a building with plumbing of its age, concerns him greatly. If the antiquated plumbing system springs a leak, the first notice of the leak would be when the front stairs look like Niagara Falls. The damage would be far worse than if we elected not to heat the building. Given the alternatives, maybe keeping the building dry is a much better alternative. If the building has a sprinkler system, it would be different, but it does not.

Councilor McCallion said the Friends of Somersworth, when they spoke earlier, said they were going to lease out some space for art studios with the potential of it being able to pay for itself. Earlier it was talked about it becoming a community building. His thought is if there is a way that the school has anything in savings through the process, even if we have to meet them halfway, we should probably put heat in the building and maybe we could go from there. He feels that maybe we could work together on this with the School Department. We cannot act on anything unless we have the property in our possession.

Councilor Tapscott asked what happened to the burners that are missing.

Councilor Pepin said they were leased.

Councilor Jarvis said she followed up with the Friends of Somersworth and they were shooting to meet the first week of October. They are still working on some things on their end. Meeting with the Economic Development Committee would give them some direction. She wondered if there is a way to find out the time line of the school handing the building over to the City.

Councilor Pepin said there may be a communication gap. He doesn't know if the Superintendent of Schools is aware that it has to be turned over by the School Board.

The City Manager said there might be some miscommunication. During the budget process, we did discuss that there was nothing budgeted for Hilltop School. All the information that staff provided mostly came from Andy Lussier who has been in charge of that building for the last several years. Also, the Superintendent of Schools did turn over the keys to him. He is not sure if a School Board vote took place. He apologized and said he will contact the Superintendent to find out when the vote took place, and if it has not taken place will let her know that this needs to be done.

Councilor Watman said the City Manager has nothing to apologize for. Nothing was provided in the budget to maintain the Hilltop School building and that was clearly the will of the Council. We are left with a private group that has come up with a vague proposal for the reuse of the building. It is nothing he could vote on one way or another, because it doesn't specify what obligations the City would have. The Architect from WarrenStreet had stated, during his presentation, that if a decision was not made by a certain time, the City would be stuck with maintaining an empty building. Once you make that initial decision to minimally heat the building, you have also made the decision to repair things you can as they break, or to replace them.

Councilor Watman said he feels that if Council wants to do something about minimally heating the building, etc. someone will have to draft an ordinance to have a supplemental appropriation. According to City Planner Sharples, the initial cost would be \$19,300.00, but then there is the little part at the end that states it is likely we would have some other maintenance issues because the system is antiquated, and it may not be possible to replace some things. A different company said exactly the same thing in 1999.

Councilor Watman said one route that could be taken is if someone drafted an ordinance to have a supplemental appropriation, schedule a public hearing, and then take a vote on that.

Councilor Watman said Council decided before not to budget anything for the maintenance of this building, and he thinks that was fully cognizant what that meant. It was for him.

Councilor Pepin indicated he wasn't trying to put any blame on the City Manager or staff members. It is the situation as it is. When Council was working on the budget, he was more concerned with not laying people off and keeping the tax rate down as low as possible while being able to give our kids an education in our community.

Councilor Pepin said he has a firm belief that whatever we own we are obliged to keep some type of maintenance on. If we do not take some kind of action, we are looking at the possibility of vandalism or fire up there.

Councilor Pepin said the cost for heating the building is way beyond what he thought it would be.

MEETING WITH ATTORNEY ROBERT FISHER TO DISCUSS HIS PROPERTY TAX SITUATION AT SUNNINGDALE GOLF CLUB, INC.

Councilor Witham stated the City Manager said he was looking for guidance on this subject.

Councilor Witham said he does not have a strong desire to have a conversation in a public forum on this type of matter without guidance from our City Attorney first on the entire matter. It would be premature to entertain having a discussion at this time. His answer is no.

Councilor Watman said he agrees with this. The matter had been discussed in public at the Finance Committee level and that Committee voted not to bring it forth to Council. He feels it would be sensible to check with the City Attorney on this matter.

CLOSING COMMENTS BY COUNCIL MEMBERS.

Councilor Witham said he was provided with a copy of an NPR Report about the State DOT's consideration of revising its snow removal operations during the winter months to

a significantly scaled back version of what we have been accustomed to. The Report suggests that DOT has thought otherwise and will maintain their existing snow removal plan. He is not sure what, if any, impact the revised plan would have had on Somersworth. He is pleased to see that operations will continue as they have been. He feels the DOT does an exceptional job in maintaining our State's roads.

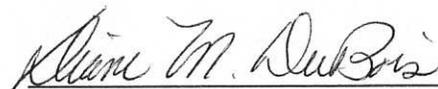
Councilor Witham thanked Acting Mayor Tapscott for mentioning the public hearing on the DOT ten-year plan. He suspects there won't be a whole lot of money allocated at this time.

Councilor Watman mentioned that the filing period for running for elective office ends at the close of business on Wednesday, September 28th. He hopes people are so inclined to file.

ADJOURNMENT.

Councilor Watman moved to adjourn. The motion was seconded by Councilor Witham and passed unanimously. The meeting adjourned at 8:00 p.m.

Respectfully submitted,



Diane M. DuBois, City Clerk

