

MINUTES OF PUBLIC HEARING

RESOLUTION NO. 21-14 BOND FOR ROAD AND UTILITY IMPROVEMENTS FOR A PORTION OF HIGH STREET FROM THE SINCLAIR AVENUE INTERSECTION LOCATION TO THE DOVER CITY LINE AND ROAD AND UTILITY IMPROVEMENTS TO TRI CITY ROAD

JANUARY 8, 2014

Mayor Hilliard opened the public hearing at 6:30 p.m.

Finance Director Scott Smith indicated we will look at the City's debt service and some expiring debt. This is a synopsis of what has occurred over the last 12 to 18 months. We are only looking at the tax rate portion for the City.

City – General Fund Debt Service

- Authorized – Issued \$4,000,000 Downtown Improvements Project Bond – a portion to be paid by General, Water, and Sewer Funds.
- Authorized – Unissued \$490,000 Bond to be used for Downtown Improvements and Somersworth/Berwick Bridge Project.
- Expiring Debt – (1998) \$1,000,000 Road Improvement Bond FY14
(2000) \$475,000 Plaza Upgrade FY15
(2005) \$1,500,000 Capital Improvement Bond FY16
(2001) \$1,200,000 Landfill/City Hall 2017
- Under consideration - \$1,100,000 Road Improvement Bond – approximately \$1,000,000 paid by General Fund balance Water and Sewer Funds

Motion by Councilor Witham to suspend the rules to address Director Smith. The motion was seconded by Councilor McCallion and passed unanimously.

Councilor Witham asked Director Smith his understanding of options available to us and the mechanics of how this weaves its way through a tax cap budget.

Director Smith said we have an increase in our debt service because of what has been authorized already. The impact is .10 cents. This would account for about half of the City's limit on the tax cap.

Councilor McCallion said we need to make sure that people at home realize the tax rate is not going to go up \$1.06. He asked where we are in terms of debt service to other communities. The economy is getting better and house assessments are up.

Councilor Sprague asked if bondable issues are included in the budget.

Director Smith said they are, that everything is included in the budget.

City Manager Belmore indicated we will have more discussion about the implementation of the tax cap with the School Board at the joint meeting on 2/21/14. He asked the City Council to set procedural guidelines after the workshop.

Councilor Witham said this bond is for a portion of High Street from Stackpole Road to the Dover line and Tri City Road. What we have are estimates. If the actual numbers came in lower he wondered if we could apply the rest to other road projects. He wondered if we need to add some language to allow this.

Director Smith said you would have to add something in this resolution to enable that to happen.

Councilor Witham asked why we have chosen that portion of High Street when there are many roads that are deserving of attention.

Contract Engineer Ducharme said they looked at a number of streets other than High Street. There are a number of roads that need utility work done beneath the pavement. They looked at high traffic counts. Blackwater Road and Main Street both need significant engineering and utility work done. In looking at where to use the paving budget and getting the best bang for our buck, this portion of High Street is the highest travelled in the City. This would set up the High Street traffic load for another ten years. This does not require a lot of engineering and gets it done end to end when the downtown project is done.

Councilor Messier asked if this is a grinding of the pavement or just an overlay. Mr. Ducharme replied it is grinding and an overlay.

Councilor Hebert asked if the signaling between Target and Wal Mart will be addressed soon. It would be great if it were synchronized. We keep talking about it but it does not get done.

Mr. Ducharme said they did reach out to DOT. That was delayed because of the holiday season traffic. It is on the radar screen.

There being no further discussion, Mayor Hilliard closed the public hearing at 6:50 p.m.

Respectfully submitted,

Diane M. DuBois, City Clerk

