PUBLIC HEARING
MARCH 18, 2013 – 6:30 P.M.

ORDINANCE NO. 10-13 AMEND CHAPTER 19, ZONING ORDINANCE, BY ADDING NEW SECTION 30 HILLTOP SCHOOL PROPERTY OVERLAY DISTRICT

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

Director of Planning and Community Development Dave Sharples said the Friends of Somersworth came to him to talk about how to go about rezoning this property to create a center for cultural activities. He felt that creating an overlay district would be the best thing to do. The rest of the area in that vicinity would still remain zoned R1A. The overlay district would be specific to the Hilltop property and would expand the uses for the property.

Mr. Sharples indicated that a 30,000 square foot building would not be used for a single family home.

Mr. Sharples said the overlay district would expand the uses of the building. It could also be used as a government building, and additional permitted uses.

Madeleine DeSantis, 43 Mt. Vernon Street, said she is here for the Friends of Somersworth and for Emmett Soldati. She indicated that the Friends of Somersworth support this proposal and they believe this will protect this cultural and historic building.

There being no further comments, Mayor Spencer closed the public hearing.

Respectfully submitted,

Diane M. DuBois

Diane M. DuBois, City Clerk

PUBLIC HEARING
MARCH 18, 2013 – 6:45 P.M.

PROPOSAL FOR RENEWAL OF THE CABLE TELEVISION FRANCHISE AGREEMENT

Mayor Spencer opened the public hearing at 6:45 p.m.

Dennis Tsakiris introduced himself as Chair of the Cable Committee. He is a long-time resident of Somersworth. He graduated from Somerworth High and now lives in Somersworth and operates a business here. He got involved with the Cable Committee when Jennifer Soldati, Executive Director of the Chamber of Commerce, contacted him and thought it would be a great idea to have a Chamber member involved on the Cable Committee. She indicated it would be about a six month commitment with limited meetings and limited time involved. That was back in March, 2009.

Mr. Tsakiris indicated the initial public hearing took place on March 24th, 2009. The goal of the Committee was to have the next cable franchise with Comcast provide the funding source for capital operational maintenance requirements for the public education governmental program. In January, 2010 they conducted a community survey to see if the people of Somersworth had an interest in expanding the cable usage. The feedback was very positive. They in fact saw a value with having the government access channel (channel 22) and also the educational channel, and eventually possibly the public channel.

Mr. Tsakiris said you have probably heard of the word "PEG", "P" standing for public access, "E" standing for educational channel, "G" standing for governmental access. These separate and additional channels would be provided by Comcast without additional charge. At their August 15th, 2011 meeting, after completing their research, it was determined that Comcast was the only option for cable service here at that time. They looked at other alternatives, but nothing was viable at this point. The Committee made several attempts to receive free grant money for the upgrading of the City Hall equipment needed to be able to broadcast the school events, which would be the beginning of the educational channel. However, no grant money was available from Comcast. In order to support the City and the school equipment in broadcasting needs and costs, a pass-through franchise fee to Comcast subscribers of 3% is their recommendation. The fee is basically Comcast pre-payment of the franchise fee in the amount of $85,000. This would allow us to jumpstart the needed upgrades here for the needed equipment needed and to help to launch the school channel. Next year the school is prepared to launch the educational channel and that would include events such as graduation, sporting events, and educational presentations. This would provide a wonderful learning experience for our students as it will be student-driven.

Mr. Tsakiris said it is the Committee's goal to eventually launch the public access channel, which would be for broader programming not directly related to the city or the

school. He can speak from experience that in other communities this has been a real value to have all three of the programs up and running. It has been a plus for communities in many ways.

Mr. Tsakiris said the one bargaining chip they did have with Comcast is the length of time that this contract is being offered. Previously the contract was for ten years. They did not want to go for any type of agreement for that length of time. The agreement they are proposing is for a five-year period and a relatively short period of time to go back to the table if there are other providers at that time to negotiate for another contract.

Mr. Tsakiris indicated the Cable Committee recommends City Council approval on this agreement.

William Connors, 41 Pinewood Drive, said he feels the Cable Committee has done a fine job. They have spent a lot of time on this. Everything they are speaking of as far as upgrading the channel selection, availability to the schools, sounds like a fine idea to him.

Mr. Connors said Comcast ranks 13th for service nationwide. He wants to make sure everybody understands that Comcast contracts out their internet service and all their other services. They are the parent company for X-Finity. He doesn't know if anybody else has noticed a drop in quality of service from X-Finity, but he has. He was offered a program to increase the speed of his internet which he agreed to. The program worked very well, however subsequently he lost his ability to send and receive e-mails. He kept getting an error message. He called X-Finity and was told they could fix this problem. They directed him to technical support. They diagnosed the problem and fixed it, however he had to pay $50 for this service which came with a warranty for 14 days. Within 24 hours he was having the same problem. He talked to a technician who said everything looked OK on their end so it had to be at his end, and it would cost him another $50.

Mr. Connors said he feels we have been getting a song and dance. This was poor service on the part of Comcast no matter who they sub-contract with. He feels we should have some sort of amendment to this proposal. There could be other people out there having this same experience.

Margaret Aikens, 34 Blackwater Road, said she feels that Comcast "nickel and dimes" us to death. We all had to get boxes, now we are being charged for that. Comcast is a nationwide company. She also found out from a relative who works for Comcast in Tennessee that they have decreased all employees' pay by $3 per hour. She feels they are a big conglomeration. They also own QVC, and now they are coming up with the other half of the money necessary to buy NBC.

Ms. Aikens said their bills go up at least three times per year. She pays close to $70 per month for basic cable. She hopes some competition will come in in the future.

Robert Ciandella introduced himself as special counsel for the cable franchise agreement and said if anyone has questions he will be here to answer them.

Attorney Ciandella addressed the competition issue, stating federal and state law forbid an exclusive franchise cable agreement. There is no such thing as a monopoly agreement, but the way the business has evolved it has been a de facto monopoly. That is likely to change in the near term because Fairpoint has warranted to the Public Utilities Commission of NH that they would introduce competitive cable product. The reason it is changing is because previously cable was a way to get a television signal into the home, but now there are three streams of revenue. There is telephone and internet revenue in addition to television. Because economics have shifted in major metropolitan areas, you now have competitive cable providers.

Respectfully submitted,

Diane M. DuBois

Diane M. DuBois, City Clerk

MINUTES OF CITY COUNCIL MEETING

MARCH 18, 2013

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

MINUTES OF PREVIOUS MEETINGS.

- Minutes of 3/04/13 State of the City Address – Motion by Councilor Witham, seconded by Councilor McCallion, to approve the minutes as recorded. The motion carried unanimously.
- Minutes of 3/04/13 City Council Meeting – Motion by Councilor Tapscott, seconded by Councilor McCallion, to approve the minutes as recorded. The motion carried unanimously.
- Minutes of 3/09/13 City Council Goal Setting Session – Motion by Councilor McCallion, seconded by Councilor Tapscott, to approve the minutes as recorded. The motion carried by a vote of 8-1/2 yeas, ½ abstention, Councilor Sprague abstaining one-half.

Councilor Tapscott moved to change the order of tonight's agenda by bringing up the Vote on the Renewal of the Cable Television Franchise Agreement with COMCAST of ME/NH, Inc. The motion was seconded by Councilor McCallion and passed unanimously.

The City Manager pointed out he placed a draft motion at Councilor's desks this evening regarding the COMCAST Cable TV Franchise Agreement proposal. It combines the two items that were listed on the agenda.

Attorney Rob Ciandella, who is our special counsel relative to this negotiation process, is here tonight, along with Attorney Kate Miller. They led the charge regarding discussions with COMCAST. He asked the Council to consider the motion this evening.

Attorney Ciandella explained that the existing agreement is ten years old. In negotiations they tried for a strategic objective, to try to set in place the infrastructure for access programming in the City. There would be live origination broadcasting from City Hall, and a link from the Vocational Center to here. The last agreement was long-term because AT & T invested in the City with its own dollars. The City had $127,000 of AT & T money that was put into the City without passing it on to subscribers.

Attorney Ciandella added that in this negotiation they really tried to do the same thing. They went to COMCAST with a specific proposal stating we would extend the license term if they would invest their dollars in the City. Frankly, they hit a brick wall.

Attorney Ciandella said the agreement is for a short-term because there is not the investment of dollars in the proposed agreement. From the Cable Committee's point of view, the next order of business was to fund the capital operation maintenance expenses associated with PEG programming in the City. To do that, we have a pre-payment of a franchise fee for a year which is intended to accomplish that. The Cable Committee is recommending the agreement. The motion that was presented to you is to deal with some end-game issues with the expiring agreement. The City is owed money from the old agreement and we want to make sure to get everything we are due before closing out the agreement. This would allow the City the flexibility to allow the old agreement to close out before we enter into the new agreement.

Councilor Tapscott asked if the proposed new agreement would increase the rates by 3%. Attorney Ciandella replied in the affirmative. It is a franchise fee that is returned to the City.

Councilor Tapscott asked if the fee would apply to all services if someone has bundled their services with COMCAST.

Attorney Ciandella indicated it would only apply to the cable portion. The way federal law is set up, there are three different regulatory bodies.

Councilor Tapscott asked him if Fairpoint will be jumping into the fray at some point. He wondered if we will have to spend all this time and effort reaching an agreement with them as we have with COMCAST.

Attorney Ciandella said there is a value to having a short term agreement, because having two providers negotiating would give leverage to the City.

Councilor Witham said he has received a couple of calls on this issue and a few conversations with residents. There are a couple of themes that emerge, one being about programming (residents seem to want more control over programming), and the other about the short-term (5 years) agreement.

Attorney Ciandella said in terms of programming the federal law handcuffs our ability to deal with it directly. We cannot make specific programs a subject of negotiations. All that is required in terms of negotiations is there should be broad levels of programming. People everywhere are disgusted with the idea that they have to buy 50 products they are not going to use to get the few that they will use. We lack the legal authority to make that a point of negotiation.

Attorney Ciandella said in terms of the agreement being for 5 years and short-term, the federal law sets up a very specific cable renewal process. There is a window that opens 30 to 36 months prior to expiration where the operator reserves their rights under federal law. That is a way to protect their capital investment, then the negotiating can begin at some point after that. With these negotiations we wanted to go for a longer term if we had some investment, but we hit a brick wall.

Councilor Sprague said we are talking about a mini-monopoly, Fairpoint and COMCAST. We are talking about what they bring in for lines. As it is, you can get cable TV through a dish. We are not going to be waiting for Fairpoint to do any capital improvements anytime soon because they would have to upgrade their fiber optics before they come in. The lines in Somersworth are owned by only two companies, Fairpoint and COMCAST.

Attorney Ciandella indicated that even though you own the poles, you have to make space available on the poles for competitors and they can be charged a tariff. The real issue is the capital. The company that has a line in already has an advantage. Fairpoint has said they are going to try to use compression technology. Also some electric companies, particularly in Massachusetts, have become cable providers basically because they had the wires in the ground.

City Manager Belmore pointed out that presently COMCAST subscribers pay .18 cents on their bill as a pass-through fee. If you institute this 3% pass-through franchise fee, they will see an increase of approximately $2.20. It is truly a user fee and we need revenue in order to support the equipment here and pay the camera operator. We would have two channels now through this mechanism.

Councilor Witham moved that the City Manager be authorized to execute an extension of the current cable television franchise agreement with Comcast until June 18, 2013, or until the cable television franchise is renewed, whichever occurs first, and to execute the cable television franchise renewal agreement once he is satisfied that all funds due to be paid to the City by Comcast pursuant to the current cable television franchise agreement have been so paid.

The motion was seconded by Councilor Pepin.

Councilor Witham said most residents would wonder why we would vote to extend this until you listen to what our special counsel has said here this evening. We feel that we are being charged too much, we have no control over programming, but as you have heard here tonight there doesn't seem to be an option right now. We are optimistic that there will be one in the near term that may allow us to leverage some of this.

Councilor Witham indicated it is important for us to upgrade equipment here so we can continue to broadcast City meetings. Most residents want that to continue. There is also certainly a need to enhance our offerings within the School Department. None of that comes at zero cost. This is a way to make some progress in that area. These are the reasons he supports this.

The motion passed by roll call vote of 9 yeas, 0 nays.

ANNOUNCEMENTS BY CITY COUNCILORS.

Councilor Soldati reminded residents that on March 30, 2013 "La Grande Fete" will be happening. It is a celebration of French heritage put on by the Friends of Somersworth and will include dancing, food and a lot of fun. This will take place at 5:00 p.m. at the Canal Street mills in Suite 202. There is an elevator. They would like to see some of the older French residents show up and tell some stories.

Councilor Sprague said we have a storm coming with a possibility of 12 to 18 inches of heavy snow. He wondered if we have any plans for having a shelter open for residents to go to.

City Manager Belmore indicated there are no plans at this time. Fire Chief Hoyle, who is also our Emergency Management Director, has worked in tandem with the City of Rochester in the past to open a joint shelter. He monitors conditions on an hour by hour basis and works with other neighboring communities. If anything is done, we will get the word out as soon as possible.

The City Manager indicated that because of the storm trash pickup will be delayed a day, and also there is a parking ban in effect. He encouraged residents to sign up for the City's e-blast.

Councilor Sprague added there may be power outages tomorrow. If people are using generators, he reminded them not to use them inside and also to check on elderly people they know.

COMMUNICATIONS.

PRESENTATION BY VACHON CLUKAY & COMPANY PC, CERTIFIED PUBLIC ACCOUNTANTS, FISCAL YEAR ENDING JUNE 30, 2012.

Bob Vachon, President and managing partner of the company, introduced himself, as well as Tammy Webb, the senior audit manager for the company.

Ms. Webb offered the following Independent Auditor's Report:

- As one should expect, the City received an Unqualified Opinion on its financial statements as of and for the year ended June 30, 2012.
- We continue to audit the City's financial statements using the enhanced audit approach which emphasizes the evaluation of both audit and fraud risks.
- Under this approach, the selection of audit procedures from year to year incorporates unpredictability.

Statement of Net Assets

Financial Highlights:

- Total assets of the City amount to $78.5M. The majority consists of capital assets of $59.8M and another $14.3M in cash and investments.
- Total liabilities of the City decreased $6.5M from the prior year. The largest decrease pertains to a decrease in bonds payable of $3.4M due to scheduled payments and a refinancing of a debt.
- Net assets at June 30, 2012 for the City totaled $24.8M as follows:
    1. $23.7M invested in capital assets, net of related debt.
    2. $255,000 in restricted net assets.
    3. The balance of $866,000 in unrestricted net assets that is available to finance the City's ongoing operations.

Statement of Activities

Financial Highlights:

- Total expenses of the Governmental Activities increased by $1.2M (or 3.4%) from the prior year.
- Total revenues of the Governmental Activities decreased by $88,000 (or 0.2%) from the prior year.
- Net assets of the Governmental Activities increased by $1.1M.
- The expenses of the Business-type Activities decreased by $127,000 (or 2.9%) from the prior year. This includes the activity of the Water, Sewer, and Solid Waste Funds.
- Revenues of the Business-type Activities also decreased by $196,000 (or 3.7%) from the prior year.
- Net assets of the Business-type Activities did increase by $912,000.

Governmental Funds – Balance Sheet

- The City implemented GASB Statement #54 during the year ended June 30, 2011. Fund balance is now reported in 5 new categories: Nonspendable, Restricted, Committed, Assigned and Unassigned.
- Under the new reporting model, "Unassigned" fund balance replaces the former "Unreserved" fund balance in the General Fund.
- The City had only one major governmental fund in FY 12: the General Fund.
- Total assets in the General Fund amount to $15.3M, of which $13.4M (or 88%) consists of cash and investments. This is an increase from $11.0M (or 75%) at 6/30/11.
- Total liabilities in the General Fund amount to $10.2M, a decrease of $600,000 from the prior year. The majority of this balance is due to $9.2M in prepaid taxes for FY13 that were due in July, 2012.
- Total fund balance of the General Fund on the modified accrual basis is $4.2M as of June 30, 2012.

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

- General Fund revenues exceeded expenditures by $339,000.
- The school construction project continued during the fiscal year. As the majority of the project was completed during FY11, this fund no longer met the criteria to be reported as a major fund in the financial statements.
- Other Governmental Fund expenditures exceeded revenues by $2.5M. This decrease in fund balance is the result of the school construction project, which is now reported as a nonmajor governmental fund. Current year expenditures were $2.6M.

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:
    1. $7.2M in the Water Fund
    2. $14.2M 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 $1.7M.
- Outstanding general obligation debt at year end is:
    1. $6.0M in the Water Fund
    2. $7.6M in the Sewer Fund
- Unrestricted net assets which represent the net difference between assets and liabilities are as follows:
    1. $616,000 in the Water Fund
    2. $172,000 in the Sewer Fund
    3. $46,000 in the Solid Waste Fund

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 a 5% increase in the water rates and a 10% increase in the sewer rates that became effective 7/1/11. The Sewer Fund no longer has an advance of funds from the General Fund!
- Operating revenues are:
    1. $2.3M in the Water Fund
    2. $2.4M in the Sewer Fund
    3. $370,000 in the Solid Waste Fund
- Operating expenses are:
    1. $1.5M in the Water Fund
    2. $1.9M in the Sewer Fund
    3. $341,000 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:
    1. Increase of $554,000 for the Water Fund

2. Increase of $329,000 for the Sewer Fund
3. Increase of $29,000 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:
  1. Increase of $756,000 in the Water Fund
  2. Increase of $605,000 in the Sewer Fund
  3. Increase of $13,000 in the Solid Waste Fund

General Fund Budget and Actual Comparison

- Total revenues and other financing sources exceeded budgeted estimates by $6,000. Significant variances with estimates include:
  1. Intergovernmental revenues were $224,000 more than estimated
  2. Charges for services were *less* than the estimated amount by $279,000
  3. Miscellaneous revenues were $131,000 *more* than estimated

- Total Expenditures and other financing uses of $34.3M were $471,000 less than final budgeted amounts. Significant savings were in the following areas:

Finance and Administration	$ 62,000
Development Services	$126,000
Public Works	$109,000
School	$ 48,000
Other	$ 70,000

- Actual revenues exceeded actual expenditures on the budgetary basis by $366,000.

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	$4,247,323
2011-2012 excess revenues over expenditures	366,096
Ending budgetary fund balance – June 30, 2012	$4,613,419*

*Includes nonspendable, assigned, and unassigned fund balance.

The components of the budgetary fund balance is as follows:

Nonspendable:	
Prepaid expenses	$ 19,921

Assigned:	
Designated to offset subsequent fiscal year tax rate	350,000
Unassigned:	
General operations	4,243,498**
ACTUAL PERCENTAGE	10.23%

**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 approximately $2.1M in federal awards, and a federal compliance audit was also performed. This is down slightly from the prior year federal funding of $2.2M.
- Of the federal awards, $1.83M (or 86.9%) pertains to the school department.
- As part of the federal compliance audit, we tested the City's internal control over both *financial reporting* and on *compliance* with the federal awards.
- We are pleased to report that there were no deficiencies or weaknesses identified and no findings or questioned costs to report.
- Congratulations on your outstanding efforts!

Management Letter

There was a management letter issued this year to address the following:

- Direct deposits for payroll were being released to the bank prior to being approved by a supervisor.
- The hours worked per the approved time sheets were being paid. However, we noted that the actual hours worked did not properly calculate to the amount indicated.
- Two of the schools continue to not issue pre-numbered cash receipts for the collections of student activity funds.

- All of these reported issues have since been resolved.

Ms. Webb indicated that several years ago, when they first began auditing the City, there were large liabilities on the books in the Water and Sewer Funds. They essentially had to borrow from the General Fund to pay for day to day operating expenses. In order to repay the General Fund, the rates had to be raised over a period of several years. At this point in time, there is finally a positive net asset in these funds and there is a positive cash flow.

MAYOR'S REPORT.

- March 5th – Attended the NHMA Communications/Outreach Committee meeting in Concord.
- March 9th – Attended the City Council goal setting session.
- March 9th - 13th In Washington DC attending the National League of Cities Annual Conference.
  Attended the following events/seminars while attending:
  Sunday March 10th
    - 9:00 a.m. – 5:00 p.m. Civil Discourse in the Face of Incivility: Leading to a Successful Resolution of Community Conflict.

  Monday March 11th
    - 9:00 – 10:30 a.m. Opening ceremony
    - 11:00 a.m. – 12:30 p.m. Innovation Clusters and Business Accelerators: Leveraging Federal Resources.
    - 12:30 – 2:00 p.m. Small Cities Council Meeting.
    - 3:45 – 5:00 p.m. Afternoon General Session w/
      - Kathleen Sebelius, Secretary, U.S. Department of Health and Human Services, Washington DC
      - Shaun Donovan, Secretary, U.S. Department of Housing and Urban Development, Washington DC
      - General Martin E. Dempsey, Chairman of the Joint Chiefs of Staff.

  Tuesday March 12th
    - 9:00-10:00 a.m. Educating America – How City Elected Officials Can Influence School Reform.
    - 10:45 a.m.-12:15 p.m. EPA Integrated Planning and Affordability: Working with Local Governments.
    - General Session with the following speakers:
      - U.S. Senator John McCain
      - Tom Vilsack, Secretary, U.S. Department of Agriculture
      - The Honorable J.C. Watts, Jr.
      - Vice-President Joe Biden

The Mayor urged Councilors to attend the National League of Cities Conference next year if they can.

REPORTS OF STANDING COMMITTEES.

PUBLIC WORKS AND THE ENVIRONMENT COMMITTEE.

Councilor Tapscott reported this Committee met on 3/13/13 at 3:30 p.m. The following items were discussed.

- Rocky Hill Road Culvert Project Bids – there were three bidders. The low bidder was STS, Inc. of Lebanon, ME with a bid of $72,633. This was approximately $2,000 lower than the engineer's estimate. The bid was based on closing Rocky

Hill Road for a period of four weeks when school is out. The Finance Director informed the Committee that for funding we have a FEMA grant of $48,000 with an additional amount of $13,000 of City funds available. For construction an additional $10,000 is needed.

- There were some requests for trench permits. Trench permits are allowed between March 15th and some time in October. Because of the additional storms we have had, those permits were delayed.
- The City Manager informed the Committee of the need for a supplemental appropriation of approximately $246,000 to repave the delaminated section of High Street. This amount could change depending on the amounts of the bids received. They will have to develop a plan consisting of hot patching and repaving roads over the next 3 to 5 years.

PUBLIC SAFETY COMMITTEE.

Councilor Witham reported this Committee met on 3/08/13 and discussed the following items:

Permit for Outside Storage Units for Hilltop Fireworks LLC – Councilor Witham briefed the committee on Council and Zoning Board Action last year (2012) with regard to the placement of temporary storage units behind the business located on Route 108. Council amended the permit to allow for the temporary units as part of the permitting for the period May 1 through August 1. The Zoning Board also had to grant a waiver that now runs with the property for the units. Their waiver was for the period April 1 through August 1.

John Gregoire from Hilltop Fireworks LLC spoke and noted how their business would be most appreciative of aligning the City Permit with the Zoning Board time frame of April 1 through August 1 to better accommodate shipping of fireworks. This would require City Council to amend the permit, signed annually by the City's licensing committee, to add the one additional month.

Fire Chief Hoyle remarked that the containers are a good solution and are quite safe. Committee members also remarked how they were not an eyesore last summer and that they were removed well before the August 1 deadline. **Motion by Pepin, seconded by Hebert to recommend to the full City Council an amendment to allow by permit the use of temporary storage units for fireworks on the property for the period April 1 through August 1 annually. Motion passed 3-0.**

Fire Department Grants Updates – Fire Chief Hoyle updated the committee on various grants. They were summarized as follows:

- Emergency Management Grant for radio pagers for firefighters ($4,700) is completed and pagers are in hand.
- Emergency Management Grant for command vehicle equipment ($36,550) awarded and awaiting Governor's Council Approval.

- Emergency Management Grant for re-write of City Disaster Plan awarded and department is awaiting schedule with consultant.
- Emergency Management Grant for back-up power generators for DPW and City Hall ($77,000) is submitted to the State - awaiting approval.
- FEMA Fire Act Grant from 2009 ($41,982) is pretty much closed out. Still some action needed on a portable generator for Hilltop School property radio transmitter site.
- FEMA SAFER Act Grant for additional call firefighters ($215,142) has been denied. The Chief plans to re-submit for less money again in FY 14 provided SAFER funding remains after federal budget cuts. The Chief did remark that he plans to hire two certified candidates now and fund needed items through existing budget.

Miscellaneous

Fire Pumper Acquisition Status – Fire Chief/EMD Hoyle updated the committee on the status of the acquisition of a new fire/rescue pumper as approved in the FY 2013 budget (current budget). Chief Hoyle noted that two bids were received, Smeal Fire Apparatus for $499,049 and Toyne Fire Apparatus for $471,933. The Chief noted that the he and the apparatus committee are reviewing the bid submittals and related items. Councilors remarked that we have both Smeal and Toyne apparatus now and the Chief said the department is happy with both. As such the committee agreed to award the bid to the manufacturer with whom the department felt was most complete and competitive in the bid. **Motion by Pepin, seconded by Hebert to recommend to City Council awarding the bid to the company chosen to be the best by City Staff. Motion passed 3-0.**

Ambulance Service RFP – Councilor Pepin asked where we stood. Manager Belmore noted that submissions of proposals from interested firms are due in the coming week. Proposals were sent to six firms. Councilor Witham asked what is next in the process once proposals are received. Manager Belmore said he, Finance Director Smith and Chief Hoyle will review submissions in detail and will then schedule interviews with qualified firms. After some discussion it was agreed that Councilor Pepin will be part of the interview team/process.

RECREATION COMMITTEE.

Councilor Pepin reported this Committee met on 3/08/13. The following items were discussed:

- Staff gave them detailed reports on ongoing programs. At the Noble Pines, the Pavilion is complete; the misting stations are still in progress and will be operable this summer; the skateboard park should be up and running by fall.
- Pine Street Park – They received $6,000 from Somersworth Housing Authority for improvements. Staff has applied for an additional grant from the TD Green Street Grant Program.

- Mast Point Dam – Staff has applied for a grant from the Land and Water Conservation Fund Program which would be used to improve the area and perhaps have a park. Conservation Commission is involved with this also.
- Staff reported on Trends Program and Kids Camps.
- Staff advises that background checks will now be required on all coaches for any City Recreation Department affiliated sports program.
- Discussion on the possibility of allowing advertisement signs at the Noble Pines baseball field. Staff will work with various organizations that utilize the field in drafting a presentation for the City Council. Any money this would bring in would be used to maintain the field.
- Millennium Park – Staff indicated there was a light over the horseshoe pits that needed maintenance. They advised it would be best to remove it since it is not being used at night.
- The City manager referred to awarding of bid for lawn maintenance for city parks to JLG Landscaping. Councilor Witham notes this is the same company as last year and they maintained our parks better than he has ever seen in the past and went above requirements for special events. Committee is in favor of keeping this company involved.
- City Manager advised that a part-time clerk has been hired for the Recreation Office for the summer months.

ECONOMIC DEVELOPMENT COMMITTEE.

Councilor McCallion reported this Committee met on 3/15/13. From last week's Goal Setting Session, there were a few things on the forefront of their agenda:

- Community Wellness Initiative – Councilor Jarvis and Economic Development Manager Christine Davis are spearheading this and will be contacting different organizations. There will be more to come on that.
- There was much discussion about having a 5K road race back in the City, possibly the 7 hills of Somersworth. There was interest from GE to do something with the community and they will spearhead this.
- RSA 79-E, which we passed unanimously, has had the first application submitted to Director Sharples for 44 Market Street. The owner has inquired into the possibility of extended tax relief for both historic renovation and housing. Dave Sharples is reviewing the proposal. They have 60 days for it to come to Council.
- T.I.F. District – There is some money at the state level that was not used. Christine Davis is looking into a planning grant through NH Housing Authority and will also attend a Plan NH Event on 4/03/13 in Manchester to learn more.
- Code Compliance – City Manager Belmore shared with the Council research opportunities to strengthen the City's ability to enforce compliance. He has instructed staff to work on that. There will be more to come on this subject.
- They have instructed Christine Davis to possibly reach out to the Getty Station and see if there is a possibility of land donation in order to beautify the area and also looking at what is going to happen with the old Police Station, whether it is going to be developed or not.

REPORTS OF SPECIAL COMMITTEES.

SCHOOL BOARD MEETING.

Councilor Pepin attended the School Board Meeting on 3/05/13 and reported the following:

- Maplewood Elementary School did a presentation on RTI Literacy Process and he provided a handout to all City Council members. He complimented the SAU Office, the School Board, staff and the teachers. This Program is helping the literacy of our kids, especially in their younger years. It is a model program and other towns are coming into our community to actually look at the Program and to see if they can put it into their school districts because it is making so much of a difference. That is a very big compliment to our School Department. He has listened to two presentations on this Program, and the work they are doing is outstanding.
- Eckhardt and Johnson, Inc. was awarded the bid to install 7 HVAC units this summer at a cost of $469,425. As you will remember, we passed Resolution No. 18-13 which set aside $510,000 for the units.
- The School Board Chair wanted him to advise the Council that anytime they would like to have a workshop with the School Board regarding their upcoming budget they are willing to do that.

STRAFFORD REGIONAL PLANNING COMMISSION.

Councilor Tapscott reported that on 3/15/13 he and Bill Connors attended a Strafford Municipal Planning Authorization Policy Committee Meeting. There were several public hearings, one of which was the Ten-Year Plan Scoring Criteria, coming down from the NH DOT. This is a brand new plan and takes into consideration a lot of different aspects of what the Regional Planning Commissions and communities are requiring/requesting, such as mobility, potential for success, safety, economic development, network significance, environment, state of repair, support from the communities. That passed unanimously.

Councilor Tapscott said there was another public hearing on Transportation Improvement Program, Amendment 1 (T.I.F.). Proposed changes to the 2013 and 2016 Transportation Improvement Program sent to SRPC by the NH DOT require MPO T.I.F. approval before the State can approve their State-wide Transportation Improvement Program. The Policy Committee is encouraged to comment on the changes and provide additional information on the projects. The Amendment passed unanimously.

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 15, 2013

SUBJECT: City Manager's Report for Monday, March 18, 2013
City Council Agenda

6:30 p.m. Public Hearing
Ordinance No. 10-13 Amend Chapter 19, Zoning Ordinance, by Adding New Section 30 Hilltop School Property Overlay District.

6:45 p.m. Public Hearing
COMCAST Cable TV Franchise Proposed Renewal Agreement.

Communications (under Section 6 of Agenda)

A. **Presentation by Vachon, Clukay & Company PC, Certified Public Accountants, Fiscal Year ending June 30, 2012.** Enclosed is a copy of the Audit and Management Letter. Bob Vachon, CPA and Tammy Webb, CPA will attend.

Unfinished Business (under Section 12 of Agenda)

Ordinances

A. **Ordinance No. 10-13 Amend Chapter 19, Zoning Ordinance, by Adding New Section 30 Hilltop School Property Overlay District.** Director of Planning & Community Development Dave Sharples will give a brief explanation of the proposal prior to the Public Hearing.

New Business (under Section 13 of the Agenda):

Ordinances

A. **Ordinance No. 11-13 Supplemental Appropriation for Road Repairs to a Portion of High Street.** Bids to repair the delaminating section of High St. are due on Thursday, March 21st. Attached is a proposed funding sheet based on City Engineer Ducharme's estimates; City Council can amend the appropriation amount once the bids are analyzed. A Public Hearing is recommended for Monday, April 1st at 6:45 p.m.

Resolutions

A. **Resolution No. 26-13. City Council to Adopt Post-Issuance Tax Compliance Policies and Procedures.** The Finance Committee recommends approval.

B. **Resolution No. 27-13. Authorizing the City Manager to Contract with Toyne Fire Apparatus of Brada, IA for the Purchase of a Fire/Rescue Pumper Truck.** The Public Safety Committee has moved this purchase forward for your consideration. Fire Chief Hoyle recommends approval and has provided a memorandum explaining his recommendation; also, please note that Toyne was the low bid. The Resolution, if approved, would authorize the City Manager to select the Lease that is most advantageous to the City. Finance Director Scott Smith will solicit Lease Agreement proposals.

C. **Resolution No. 28-13. Authorizing the City Manager to Contract with STS Construction, Inc. of Lebanon, ME to Replace and Upgrade the Rocky Hill Road Culvert.** City Staff recommends STS as the lowest qualified bidder. Please review the attached funding sheet as well as City Engineer Joe Ducharme's recommendation. Approximately $16,000 +/- will need to be appropriated/earmarked in the next fiscal year's budget to complete this project. I do want to underscore that $48,562 of the project is being funded by a FEMA Hazardous Mitigation Grant.

Other

A. **Comcast Cable TV Franchise Agreement.**

- **Vote to Authorize the City Manager to Sign a 5-Year Renewal to the Cable Television Franchise Agreement with COMCAST of Maine/NH Inc.** Special Legal Counsel will be present to answer any questions. Attached is a memorandum outlining the proposed Renewal Agreement. The City's Cable Committee recommends approval. Committee members included: Chairman Dennis Tsakiris, Mayor Spencer, School Board Rep. Bob Gibson, CTC Dr. Better Chamberlain, Bob Goldberg, Finance Director Scott Smith and Manager Belmore.

- **Vote to Grant a 4-Month Extension to the COMCAST Cable Franchise Agreement.** Authorizing the City Manager to sign the attached Draft

Extension Agreement. Obviously, this vote is not needed should the Council Authorize a 5-Year Renewal.

B. **Vote to Authorize the Annual Permit for permissible Fireworks Issued to Hilltop Fireworks, LLC to Allow Outside Storage Units from April 1st until August 1st, 2013.** The Public Safety Committee has moved this item forward for your consideration. I have attached a copy of a Memorandum from Chief Hoyle, a copy of last year's issued Permit and a copy of last year's Council meeting minutes on the Permit issuance discussion.

C. **Waiver Request to City Ordinance 12 to Excavate (Trench Permit) into City's Right-of-Way between November 15th and April 15th.** Attached is a memorandum from Public Works Director Tom Willis explaining the Permit requests as well as his recommendation.*

* I would like to point out that the Public Works Director, Tom Willis, provided a memorandum to the City Manager, and I provided a copy to City Council this evening, withdrawing his recommendation to ask Council to waive the City Ordinance regarding Trench Permits due to the storm and snow this week and that is being forecast for next week. You need not act on that topic this evening.

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

A. **Informational Items:**

1. **City Manager's Proposed Fiscal Year 2014 Budget.** The City Manager's Proposed FY 14 Budget and School Department Budget has been submitted in accordance with the City Charter.

2. **Ambulance Services RFP Process.** Proposals to provide the City with Emergency EMS Ambulance Services were received on Thursday, March 14th. We opened the three Proposals received from AMR/American Ambulance Response (our present provider); American Ambulance; and CarePlus Ambulance Service. I have established a review and interview panel comprised of Fire Chief Keith Hoyle, Finance Director Scott Smith, Councilor/Public Safety Comm. Member Marty Pepin and I. We will review the proposals and then interview the companies. The intent would be to provide a recommendation for a Contract Award to the City Council after further review with the Public Safety Committee.

3. **Downtown Infrastructure Project.** I recommend the Mayor and Council schedule a special workshop meeting to review alternative project designs with the project engineers from HTA-Bond Project and VHB-TE Grant Project on Monday, March 25th at 6:00 p.m.

4. **Somersworth Landfill Solar Feasibility Study.** Director Sharples and I completed a conference call with EPA this past Thursday, March 14th. SKEO is the consultant that EPA has under contract that will conduct a site visit here and then complete the study. There is no cost to us for the study and it will be completed by the end of this summer. If the study provides a positive recommendation we would then consider moving forward with an RFP to find a developer to fund, finalize the design and build the solar array of panels. As part of this project discussion, the City Council would need to consider a lease of the land which might include rent payments to the City and/or electricity for City facilities.

A. Attachments:

1. City Attorney Certification (1).
2. Department Head Monthly Reports.
3. Audit and Management Letter.

Mayor Spencer asked the Council if there was any objection to the meeting dates suggested by the City Manager. There being no objections, a Public Hearing will be held on Monday, April 1st at 6:45 p.m. on Ordinance No. 11-13 Supplemental Appropriation for Road Repairs to a Portion of High Street, and a City Council Workshop will be held on Monday, March 25th at 6:00 p.m. to review project designs on the bond project with engineers from HTA.

UNFINISHED BUSINESS.

ORDINANCE NO. 10-13 AMEND CHAPTER 19, ZONING ORDINANCE, BY ADDING NEW SECTION 30 HILLTOP SCHOOL PROPERTY OVERLY DISTRICT.

Councilor Soldati said this allows the use of that building for non-governmental purposes. It doesn't change the zoning on a permanent level at all.

Councilor Witham asked if this would be an additional overlay district on this piece of property. It currently has a larger overlay district which encompasses the Historic District overlay. It was indicated that this would be an additional overlay district.

Councilor Witham said this seems to be an appropriate way to tackle this particular issue. As Director Sharples pointed out, the only thing that could be put there right now would be a single family home. An overlay district is probably the simplest and cleanest way to deal with this property. The only thing that caused him a bit of pause is that typically when we have zoning changes they meander their way through the Planning Board process. It is not required by law, but it has been the typical pattern in how we do business here in Somersworth. This is not a habit he would want to get into, however he thinks this is an appropriate way to handle this property.

Councilor Soldati said she has no problem if Councilor Witham feels the Planning Board should look at this before the Council votes on it.

Ordinance No. 10-13 passed unanimously by roll call vote.

NEW BUSINESS.

ORDINANCE NO. 11-13 SUPPLEMENTAL APPROPRIATION FOR ROAD REPAIRS TO A PORTION OF HIGH STREET.

Somersworth, NH
March 18, 2013

THE CITY COUNCIL OF 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 12-13 is amended as follows:

Appropriate $246,000 from Unassigned Fund Balance to the Public Works section of the FY 12-13 budget as follows:

Original Budget	Amendment	Revised Budget
$1,979,272	$ 246,000	$2,225,272

Approved as to Funding:

Scott A. Smith
Director of Finance and Administration

Recorded by:

Diane Dubois
City Clerk

Background:
This ordinance appropriates the use of Unassigned General Fund - Fund Balance for the purpose of road and drainage improvements to a portion of High Street, from Bartlett Ave. to Sinclair Ave. This supplemental appropriation represents the City Engineer's estimated additional funding needed above what is currently available through the City Budget. Request for bids will be received on March 21, 2013 at which time an actual project cost will be established.

This Ordinance requires a public hearing and requires a 2/3 majority vote of the City Council after the public hearing (Section 7.7.(A) City Charter).

Introduced by Councilors

David Witham
Martin Pepin
Marcel Hebert

Approved:

City Attorney

Following the first reading of Ordinance No. 11-13, it was referred to the next meeting.

RESOLUTION NO. 26-13 CITY COUNCIL TO ADOPT POST-ISSUANCE TAX COMPLIANCE POLICIES AND PROCEDURES.

Somersworth, NH
March 18, 2013

WHEREAS, the City of Somersworth, New Hampshire (the "City") from time to time, on a tax-exempt basis, issues (i) bonds and bond anticipation notes to finance capital projects, (ii) tax anticipation notes to pay the City's maintenance and operation expenses and (iii) municipal leases to finance the lease-purchase of certain equipment, all pursuant to the provisions of New Hampshire RSA Chapter 33, as amended; and

WHEREAS, the federal income tax laws included in the Internal Revenue Code of 1986, as amended (the "Code"), require that issuers of tax-exempt debt comply with certain post-issuance requirements set forth in the Code; and

WHEREAS, for purposes of maximizing the likelihood that the City complies with such requirements of the Code, the City Council desires to adopt the Post-Issuance Tax Compliance Policies and Procedures and name the Director of Finance and Administration the Compliance Coordinator,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Somersworth that the Post-Issuance Tax Compliance Policies and Procedures are hereby approved and that the City Council hereby names the Director of Finance and Administration as the "Compliance Coordinator" under the Post-Issuance Tax Compliance Policies and Procedures, and

BE IT FURTHER RESOLVED that the Post-Issuance Tax Compliance Policies and Procedures shall be effective upon passage of this Resolution.

Introduced by Councilors

Robin S. Jarvis
Dale R. Sprague
Jennifer Soldati

Approved:

City Attorney

Councilor Jarvis moved to suspend the rules and ask for a second reading of Resolution No. 26-13. The motion was seconded by Councilor Tapscott and passed unanimously.

Councilor Jarvis indicated over the past year or so the IRS has focused on post-issuance tax compliance with municipal bond issuers and one of the questions posed by the IRS is whether the issuer has adopted written procedures to ensure compliance with code provisions applicable to tax-exempt bonds and notes. In the fall of 2011, the IRS dated its Form 38G and they added the question about whether the issuer, being the City, has established written procedures to address private activity concerns and to monitor the requirements of Section 148 related to arbitrage rebate. They also now request more detail about an issuers' reimbursement for pre-issuance expenditures on this form. Whereby the City is planning a finance project with tax-exempt bonds where we might need to issue tax anticipation notes or may be considering a lease/purchase agreement in the near future, it has been recommended by bond counsel that we implement these policies as soon as possible.

Resolution No. 26-13 passed unanimously by roll call vote.

RESOLUTION NO. 27–13 AUTHORIZING THE CITY MANAGER TO CONTRACT WITH TOYNE FIRE APPARATUS OF BRADA, IA FOR THE PURCHASE OF A FIRE/RESCUE PUMPER TRUCK.

Somersworth, NH
March 18, 2013

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOMERSWORTH THAT:

WHEREAS, the fiscal year 2012-2013 adopted budget contains an appropriation for a down payment toward the purchase of a fire/rescue pumper truck; and

WHEREAS, city staff solicited sealed bids from qualified companies for the purchase of a fire/rescue pumper truck; and

WHEREAS, the Public Safety Committee for the City of Somersworth has reviewed the proposals with staff and recommends awarding the bid to Toyne Fire Apparatus of Brada, IA at a cost not to exceed $471,994 (Four Hundred Seventy One Thousand Nine Hundred Ninety Four dollars),

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOMERSWORTH THAT the City Manager is authorized to contract with Toyne Fire Apparatus of Brada, IA. for an amount not to exceed $471,994 (Four Hundred Seventy One Thousand Nine Hundred Ninety Four dollars), for the purchase of a fire/rescue pumper truck, and

BE IT FURTHER RESOLVED THAT the City Manager is authorized to execute a five-year lease/purchase agreement for the acquisition of the fire/rescue pumper truck in order to meet the needs and best interests of the City.

Introduced by Councilors

David Witham
Marcel Hebert
Martin Pepin

Approved

City Attorney

Following the first reading of Resolution No. 27-13, it was referred to the next meeting.

RESOLUTION NO. 28–13 AUTHORIZING THE CITY MANAGER TO CONTRACT WITH STS CONSTRUCTION, INC. OF LEBANON, ME TO REPLACE AND UPGRADE THE ROCKY HILL ROAD CULVERT.

Somersworth, NH
March 18, 2013

WHEREAS, the City of Somersworth has applied for and received approval for a Hazard Mitigation Grant to replace and upgrade the Rocky Hill Road culvert through the New Hampshire Department of Safety, Homeland Security and Emergency Management, funding up to $48,562 (Forty Eight Thousand Five Hundred Sixty Two dollars) of project costs with the City funding the balance; and

WHEREAS, the City prepared invitations to bid and accepted bid responses on February 21, 2013; and

WHEREAS, City staff reviewed the bids accepted and recommends awarding the contract to STS Construction, Inc. of Lebanon, ME at a cost not to exceed $72,633 (Seventy Two Thousand Six Hundred Thirty Three dollars); and

WHEREAS, the Public Works and Environment Committee has reviewed the bids received and recommends awarding the contract to STS Construction, Inc. of Lebanon, ME,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOMERSWORTH THAT the City Manager is authorized to contract with STS Construction, Inc. of Lebanon, Maine to replace and upgrade the Rocky Hill Road Culvert at a cost not to exceed $72,633 (Seventy Two Thousand Six Hundred Thirty Three dollars).

Introduced by Councilors

Brian Tapscott
Marcel Hebert

Approved:

City Attorney

Following the first reading of Resolution No. 28-13, it was referred to the next meeting.

OTHER:

VOTE TO AUTHORIZE THE ANNUAL PERMIT FOR PERMISSIBLE FIREWORKS ISSUED TO HILLTOP FIREWORKS, LLC, TO ALLOW OUTSIDE STORAGE UNITS FROM APRIL 1ST UNTIL AUGUST 1ST, 2013.

Councilor Witham said the Public Safety Committee unanimously supports this request. These units were there last year and they are safer than what has typically been used there, which were U-haul trucks.

Councilor Witham made a motion that the annual permit for permissible fireworks issued to Hilltop Fireworks, LLC be amended to allow for outside storage units from April 1st to August 1st, 2013. The motion passed unanimously.

CLOSING COMMENTS BY COUNCIL MEMBERS.

Councilor Witham indicated that Council had before it this evening for a first reading a supplemental appropriation for additional money to repave that ever so bumpy portion of High Street. This is needed if we want to proceed on this as soon as we can once the weather is amenable to those sorts of projects. Otherwise we would have to go through the budget process and wait until sometime after July 1st to bid it and do the job. It is his opinion that we cannot wait that long. Hopefully we will have a favorable vote on that at our next meeting so we can move forward with that project.

Councilor Witham remarked that last week the voters of Rollinsford cast their ballot and will be moving their students in the coming years to the Marshwood School System in South Berwick, Maine. That is their decision and they are completely within their rights to do that and we will find a way to move forward here in Somersworth as a result of that decision.

Councilor Witham added that he read the results of town meetings across the State and noticed that similar action was taken in other communities. There seems to be a movement in our State of shopping where students are going to go to school. He is not sure what the motivation is. He doesn't have an answer to that question, other than to say that he transitioned his child into the Somerworth School System this year and he has

been nothing but delighted with the educational value that his son has gotten at Somersworth Middle School this year. He's been challenged academically, he has made a great number of friends, and the number of extracurricular activities has been equal to if not greater than he had been exposed to. It has been a very refreshing experience. He values education very much, and made the move with some trepidation. Knowing what he knows now, there would have been no trepidation. They have been very pleased and that is a credit to the staff at the Middle School and certainly to the school system.

Councilor Witham said what is interesting as you look at these movements of students across the State is that now you look to fill the seats that are vacated. Unfortunately, it kind of paints the picture of students as commodities. He's not sure how we get out of that mode, but it is sort of a travesty that we are now looking at students as a commodity. It will be a change for us here and he is sure we will respond to it in a positive way and will move forward.

Councilor Witham said he did approve the minutes of the last City Council Meeting, but he was hoping that the City Clerk would have captured the French version of the invitation from the Friends of Somersworth. He was disappointed not to see that in the minutes!

Councilor Pepin said the School Board Chair informed him prior to the meeting that the School Board Meeting that is scheduled for tomorrow night has been cancelled due to the prediction of snow and the parking ban.

Councilor Sprague said a couple of Councilors wondered why he wasn't at his own Committee meeting this past week. We seem to have had a snafu between a couple of Committees. He is on the Finance Committee and the Public Works Committee and he wasn't in the final email stating his Committee was meeting at a certain time.

Councilor Sprague said that even though his name is not penned on the Resolution to award the contract to STS, Inc. he wants the public to know he is comfortable with STS, Inc. and with the numbers they came in with. Also, he went over the ordinance about the supplemental appropriation with Finance Director Smith and City Manager Belmore and he is very comfortable with that also. We have $150,000 that we did not appropriate from last July until this coming July. We will minus out $43,000 for the portion out on Interstate Drive, which leaves us with $106,000. The total engineer estimate will be $352,000 hence we have $245,000 for the supplemental appropriation.

Councilor Sprague said he will be trying to amend that Ordinance because he does not believe that we need to do from Blackwater Road to Bartlett Ave. He believes that road is perfectly fine for right now. There is a spot that we can get away with by doing some patching in the spring but in order to just do the complete road just because it was in the same scope of work 6 or 7 years ago doesn't make sense to him. That should help our numbers quite a bit.

Councilor McCallion said it is good to see that the City is incrementally getting better. Everybody is in it together. Next year's budget will probably be even tougher. Some of our investments will be paying off and people will be seeing that in the downtown area.

ADJOURNMENT.

Councilor Witham moved to adjourn. The motion was seconded by Councilor Tapscott and passed unanimously. The meeting adjourned at 8:35 p.m.

Respectfully submitted,

Diane M. DuBois

Diane M. DuBois, City Clerk