

MINUTES OF FINANCE COMMITTEE MEETING
EXECUTIVE CONFERENCE ROOM
October 13, 2016, 8:00 a.m.

Committee Members present: Councilor David Witham, Chair
 Councilor Martin Pepin
 Councilor Martin P. Dumont, Sr.

Administration/Staff present: City Manager, Bob Belmore
 Finance Director, Scott Smith
 Public Works Director, Mike Bobinsky
 Assessor, Mary Beth Walker,
 City Clerk, Trish Harris

Other: Deborah Evans, Exec Director, SHA
 Dawn Collins, Director of Childcare Facility

Chairman Witham called the meeting to order at 8:01 a.m.

Mayor appointed Councilor Dumont in place of Councilor Soldati, who was unable to attend.

MINUTES OF THE PREVIOUS MEETING

Motion made by Councilor Pepin, seconded by Councilor Dumont, to accept the minutes of the meeting of September 23, 2016. Motion carried, 3-0.

EARLY LEARNING CENTER PURCHASE – SHA

The Early Learning Center is owned, operated, and managed by Somersworth Housing Authority. The Somersworth Early Learning Center would like to purchase the property for \$450,000.

The city is looking at a PILOT program, since it is a non-profit. They have retained Strafford Economic Dev Corp, and are looking for purchase and sales agreement by November.

Councilor Witham said, to maintain compliance, it could be written into the deed, so the property couldn't be flipped in a few years for something else.

Councilor Pepin, seconded by Councilor Dumont, made a motion to endorse a Resolution for the sale of the Early Learning Center, with the understandings of compliance and PILOT agreement. The motion passed unanimously.

VETERANS TAX CREDIT

Assessor Walker, explained that there is new legislation that can be adopted by the City. Previously, only veterans who have served during war time were eligible for a tax credit. There are gaps for those who have served but not during war time.

The 'All Veteran Credit' can be made available to qualified veterans who have served 90 days active service. Can start at \$50, but the regular vet credit would also be deducted to \$50. Maximum deduction would be up to \$500 off their tax bill. There are currently 411 veterans receiving the regular credit. This new legislation would mean a deduction of an additional \$109,500, for a possible total veteran's tax credit of \$315,000.

This would be about a .13 cent increase in taxes. This will not happen all at once. Legislation would be effective April 2017. Council would have to vote to adopt the legislation.

There was discussion about the elderly exemption. Veteran's exemption is not based on the need, based on a class.

There is no urgency to vote today, we can wait on more information.

Councilor Dumont, seconded by Councilor Pepin, made a motion to table, to be reviewed again during council fiscal year examination. All in favor.

SOLAR PROPOSAL – LANDFILL

Witham said the PWE discussed this and it was tabled for staff to go back to the company that submitted the FRP for further negotiations.

City Manager discussed the components of the agreement with NH Solar Garden. It is modeled after some of the other agreements, including a new landfill in Milton, NH. The wildcard is in regards to our electricity costs.

Director Smith explained what we use for kilowatt hours a year. Discussed the percentage increase during the 20 year purchase power arrangement. The risk to the city is that there is no way of knowing what the market conditions could be in 20 years. The City would also collect a pilot and land lease.

Councilor Witham said it is possible that the market rate dropped. This idea was started out as a potential savings to the City, but also for a viable use of a property.

Councilor Dumont, we have nothing to lose in moving this forward.

Councilor Dumont, seconded by Councilor Pepin, made a motion to move forward with a resolution to authorize a letter of intent to move forward with a project, with the understanding that staff will try to negotiate with NH Solar Garden. The motion passed unanimously.

WRIGHT PIERCE ENGINEERING FUNDING – WWTP IMPROVEMENTS

City Manager Belmore said the Public Works and Environment Committee voted to forward a Resolution and Supplemental Appropriation to full council for the next meeting.

The committee reviewed the plans by Wright Pierce. The funding will come from current funding on hand in the enterprise sewer fund. Intent to use the state revolving loan fund (SRF). State Added Grant funding also available.

There was discussion about how this could affect the sewer rates. The notion is, let's not wait to increase the rates; let's look into minimal incremental increases.

Councilor Dumont said in the presentation to council, we are close to capacity, and upgrades are needed. He is very pleased with this.

Councilor Pepin, seconded by Councilor Dumont, made a motion to endorse the resolution to contract with Wright-Pierce. The motion passed unanimously, 3-0.

Councilor Pepin, seconded by Councilor Dumont, made a motion to endorse an ordinance for a Supplemental Appropriation. The motion passed unanimously, 3-0. This will require a public hearing.

SEWER ORDINANCE – CHANGE OF USE

Hilltop Laundry wants to move in to the Plaza. There is over \$100,000 sewer fee for change of use. They are trying to apply some kind of standard and logic into the ordinance, by looking at prior use and other information. We want to be business friendly.

There was lengthy discussion; no action.

REPORTING

Director Smith distributed a General Fund Summary. Nothing out of the ordinary. Annual audit went well.

ADJOURNMENT

Councilor Dumont, seconded by Councilor Pepin, made a motion to adjourn at 9:25am. Motion carried unanimously.

Respectfully submitted,

Trish Harris, City Clerk