

MINUTES OF THE FINANCE COMMITTEE
EXECUTIVE CONFERENCE ROOM
May 11, 2018 at 8:00am

Committee Members present: Councilor David A. Witham, Chairman
Councilor Dale R. Sprague, Vice Chairman
Councilor Martin Pepin (entered at 8:07am)
Councilor Martin P. Dumont, Sr.

Administration/Staff present: City Manager, Bob Belmore
Director of Public Works, Michael Bobinsky
Finance Director, Scott Smith
City Clerk, Trish Harris
Fire Chief, Keith Hoyle
Interim School Superintendent, Lori Lane

The meeting called to order by Chairman Witham at 8:30 AM.

APPROVE PAST MEETING MINUTES

Councilor Dumont, seconded by Councilor Sprague, made a motion to approve the minutes of the May 1, 2018 meeting; the motion passed 3-0.

SCHOOL DEPARTMENT CIP & BUDGET

City Manager Belmore stated that the final debt payment for the land purchase at Idlehurst is August 15, 2018. If the school is looking to replace this bond, the bond sale would be in the fall of 2018; the first interest payment would be due in August 2019, and first principle payment due in Feb 2020.

Interim Superintendent Lane presented a review of the 2017-2018 School Budget to date. She stated that they have been reviewing the numbers, and have found over-expenditures. They have found the short falls, and Special Education has taken a significant hit. The timing of a supplemental appropriation ordinance was discussed so that this will be presented at the June 4, 2018 City Council Meeting, which would allow for any needed amendments by Council, to be complete at the second meeting in June.

City Manager Belmore explained the City Charter's requirement to identify the funding source for any supplemental appropriation. The amount needed by the school was reviewed again as such, \$474,000.

Councilor Pepin, seconded by Councilor Dumont, made a motion to sponsor an Ordinance for a Supplemental Appropriation for the School Department. The motion passed, 4-0.

CIP

Interim Superintendent Lane reviewed several items on the school CIP, including reorganizing the two elementary schools, safety improvements requested for the Maplewood School entrance, and boilers and HVAC systems that need to be replaced. She believes the cost of the reconstruction of the Maplewood School entrance will be approximately \$900,000. They have been notified of State Grant funds available in the amount of \$100,000. Councilor Witham said he would support a bond to address a number of these projects. He would like to see firm numbers. Director Smith stated that the final payment on the current bond is due in Fiscal Year 2019. The timing is right to do it is in the fall of this year. Discussion ensued regarding the process: School board needs to vote on what is requested before the Council can move forward.

Misc

Discussion on adopted Resolution No. 46-09, which was passed on May 4, 2009 – Non-Capital Reserve Fund, known as the Fund for the Education of Persons with Disabilities.

Councilor Pepin said the thought behind this was that the cost of special education kept going up, and the budget for the gifted kids and other programs, was decreasing. This fund was to be used to help fund Special Education unanticipated expenses. There was a general discussion regarding how funds were placed into the reserve fund and a discussion regarding the need for this fund.

Councilor Sprague, seconded by Councilor Witham, made a motion to sponsor a resolution to dissolve the Non-Capital Reserve fund, known as the Fund for the Education of Persons with Disabilities. The motion passed 3-1, Pepin opposed.

FIRE STATION BUILDING PROJECT CONSULTANT

City Manager Belmore stated that Municipal Resources, Inc. (MRI), submitted a Proposal as discussed at the last Committee meeting regarding the review of Fire Station Alternatives, Viability and Continuity of Services at a proposed cost of \$9,800. Belmore stated that the Committee has discussed getting other proposals, but the thought was national firms would be costlier. Belmore read the proposal that was included in the meeting packets.

Councilor Witham said this is within Finance Committee's Spending Authority; Committee consensus was the City Council had already expressed support to move the project on.

Councilor Pepin, seconded by Councilor Dumont, made a motion to authorize the spending of \$9,800.00, to accept the proposal and authorize the City Manager to sign the contract agreement with MRI to move the new Fire Station project forward. The motion passed, 4-0.

NH DES- STATE REVOLVING FUND WASTEWATER TREATMENT PLANT PROJECT

City Manager Belmore said they are requesting sponsorship for a resolution to support the State SRF application for this project that Council had approved. A brief discussion ensued.

Councilor Pepin, seconded by Councilor Dumont, made a motion to sponsor a Resolution to authorize the City Manager to apply for the State Revolving Loan Fund for the Wastewater Treatment Plant project. The motion passed 4-0.

SOLAR PROJECT/S

City Manager Belmore stated that there was a presentation at the previous Council Meeting by Attorney Mark Beliveau. The present company, NHSolar, was interested in two other sites; land at Idlehurst (land lease and pilot) and at Malley Farm (land lease and pilot).

The Committee was asked to weigh-in on sole sourcing with NHSolar or pursuing an RFP on potential project work at the other sites as well as whether to move forward with the Superfund site project. Councilor Witham said he feels the risk is too great with the superfund site.

Councilor Pepin agrees. Councilor Sprague stated Somersworth is a small City and that he thinks we shouldn't tie the limited amount of land we have up for such a long time.

Consensus of Committee is to not move forward at this time.

This recommendation of the Committee is to place this item for discussion under OTHER, at next council meeting for a full Council vote.

TRANSFER ORDINANCE

City Manager Belmore reported that it looks like we might not need a transfer ordinance at this time.

ELDERLY PROPERTY TAX EXEMPTIONS

Councilor Dumont stated he has done a lot of research and homework to try and help the elderly in our community. He has found that other states treat things differently and, unfortunately, we are not in a position to do the same as other states. Many of the elderly live in Sherwood Glen, but there are others whose properties are a higher value, and the taxes are higher. He would like to tweak our current process, but not sure there is much we can do at this point.

Councilor Witham stated that it revolves back to the tax structure of the state; being a tax free state, funding is a burden to the local property tax payer.

ADJOURNMENT

Councilor Dumont, seconded by Councilor Pepin made a motion to adjourn at 9:05 am Motion passed 3-1, opposed by Sprague.

Respectfully submitted,

Trish Harris, City Clerk