

MINUTES OF THE FINANCE COMMITTEE
EXECUTIVE CONFERENCE ROOM
July 26, 2018 at 8:00am

Committee Members present: Councilor David A. Witham, Chairman
 Councilor Dale R. Sprague, Vice Chairman
 Councilor Martin Pepin
 Councilor Martin P. Dumont, Sr.

Administration/Staff present: City Manager, Bob Belmore
 Director of Public Works, Michael Bobinsky
 Finance Director, Scott Smith
 Deputy City Clerk, Kelly Gagne

Others Present: Councilor Richard R. Michaud
 Darren Benoit, Dubois & King

The meeting called to order by Chairman Witham at 8:00 AM.

APPROVE PAST MEETING MINUTES

Councilor Pepin, seconded by Councilor Dumont, made a motion to approve the minutes of the May 30, 2018 meeting; the motion passed 4-0.

ROAD PAVING BIDS

The Committee spoke about a memo received from Director Bobinsky. The memo is for the 2019 road repair/repaving program. There were two bids that were received one from Brox Industries and one from Pike Industries, with Brox Industries being the lowest bidder. They came in with a bid of \$657,010.40, with a credit offered of \$25,535 if the City selected alternative pavement content mix consisting of a lower asphalt content.

Councilor Sprague asked if we have tested the RAP content. Director Bobinsky and Director Smith both answered yes, on High St and Indigo Hill Rd. There was lengthy discussion on RAP testing and asphalt plant operations between Brox and Pike Industries.

The Committee is comfortable with moving forward with the Brox Industries bid. Councilor Sprague noted he believes the City should accept the credit for the lower asphalt content but does support moving forward with these road projects.

Councilor Witham, seconded by Councilor Pepin, made a motion for the Finance Committee to endorse the bid from Brox Industries in the amount of \$657,010.40 and to also support additional projects that City staff and the Public Works & the Environment Committee deem appropriate. Motion passed 3-1. Sprague opposed.

Director Smith stated that we currently have \$195,000 from the State, does the Committee have a preference if the State money is used first or the City money. The money is to be used for road infrastructure only. Manager Belmore stated that a culvert on West High St near Ron-Wyn Dr has failed, we could use this money for that. The estimated cost is \$50,000.

WWTP UPGRADES – FINANCING

Manager Belmore stated that there is a Resolution that is already in a 1st read regarding funds in the amount of \$10,540,000 dollars for the WWTP upgrades. City staff had a meeting with Wright Pierce Engineering regarding additional funds of \$1,900,000 million dollars, which could be considered for additional work that was not included in the original project scope. These additional funds are to replace aeration blowers and to replace City water and process water lines between the Operations Building and the Headworks Building, which are the two high priority items. With other lower priority items also listed in the memo.

Councilor Pepin has read through all the information provided to him. He stated that he would like to be able to do a walk-through of the plant and be told what is being replaced. He asked if City staff could schedule a workshop at the plant with Councilors that are interested. Manager Belmore stated that yes we can do that.

Director Smith stated that the rate change structure was designed around the initial \$10,540,000 million dollar amount. Adding the extra \$1,900,000 million may raise the rates after the next four years.

Councilor Pepin, seconded by Councilor Dumont endorsed the additional \$1,900,000 million dollars for additional scope of work and support an amendment to the Resolution, pending the site walk. Motion passed 4-0.

RECYCLING PROGRAM INCREASED COSTS

Manager Belmore spoke about a memo that was received from Waste Management Representative Peter Lachapelle, regarding an increase in recycling costs to the City. Effective August 1, 2018, the City's processing fee will be increased to \$89.89 per ton. The increase is the result in changes implemented in the recycling market and reductions in the value of recycling material.

REPORTING

Manager Belmore stated that there was a memo included in the packet from New Hampshire Retirement System which stated that the employees' rates have dropped for the first time in years from 11.38% to 11.17%.

Director Smith noted the auditors are scheduled to be here first week of September.

MISCELLANEOUS

Manager Belmore explained that Mayor Hilliard has requested that the City seal be added on the side of the City Hall building on the High St/Station St corner. This is because there is attention to Citizen's Place with the flag raises. It will be designed using cast aluminum which is silver on black; it will be 48" in diameter. The City seal will be placed under the existing wording Somersworth City Hall to allow for the best view.

Councilor Dumont, seconded by Councilor Pepin endorsed that Sundance Signs install a City seal on the City Hall in an amount not to exceed \$6,000 Motion passed 4-0.

Director Bobinsky spoke regarding research on street excavation permits that he had done by the Cities of Concord and Manchester, which was requested by Councilor Sprague. A memorandum regarding the research was passed out and will be placed on a future meeting agenda for full discussion.

ADJOURNMENT

Councilor Pepin, seconded by Councilor Dumont, made a motion to adjourn at 8:58am Motion passed 3-1, Councilor Sprague opposed.

Respectfully submitted,

Kelly Gagne, Deputy City Clerk