

MINUTES OF THE FINANCE COMMITTEE
EXECUTIVE CONFERENCE ROOM
October 10, 2018 3:00pm

Committee Members present: Councilor David A. Witham, Chairman
 Councilor Martin Pepin
 Councilor Richard Michaud
 Councilor Dale R. Sprague (3:30)

Administration/Staff present: City Manager, Bob Belmore
 Finance Director, Scott Smith
 Director of Public Works & Utilities, Mike Bobinsky
 City Engineer, Gary Lemay
 Assistant Superintendent, Lori Lane
 City Clerk, Trish Harris

The meeting called to order by Chairman Witham at 3:00 PM. Mayor Hilliard appointed Michaud as a temporary member for today's meeting.

APPROVE PAST MEETING MINUTES

Councilor Pepin, seconded by Councilor Witham, made motion to approve the minutes of the September 12, 2018. Motion passed 2-1, with Councilor Michaud abstained.

RESOLUTION NO. 18-19 MIDDLE SCHOOL HVAC REPLACEMENT

A resolution regarding the HVAC replacement has been presented to Council. Finance Director Smith stated that this was discussed with the City's Bond Council. They approved the use of the of available funds in the Eversource Energy Efficiency Rebate for the replacement of an HVAC system at the Middle School. The quote for HVAC system was \$28,500. There is approximately \$33,000 remaining of the rebate.

Councilor Pepin, seconded by Councilor Michaud, made a motion to endorse the resolution. The motion passed, 3-0.

This will leave a small amount remaining in the fund that will laps to the general fund, unless used otherwise.

PURCHASE OF NEW HIGH SCHOOL GYM PA SYSTEM; FUNDING SOURCES

Councilor Witham stated that there is a frustrating, old system in the HS gym. People cannot hear announcer. He began looking at new systems last year. Pro Acoustics in TX has a system for just under \$5,000 with additional fees for installation.

Director Smith discussed funding sources. There is an escrow account, Bleacher Fund/Bricks, with \$2100 in the account at this time. The remainder could be used from what is left of the Eversource Energy Efficiency Grant.

Councilor Pepin stated that this was discussed at the School Board meeting, and was sent it to the Building and Grounds Committee. Councilor Michaud said that the bleacher/brick fund was for the purchase of bleachers at the football field. General discussion regarding these funds ensued.

Assistant Superintendent Lane explained that because it was on the School Board's agenda, it needs to go back to them now, for discussion. Councilor Witham said he will attend the Building & Grounds Committee meeting.

Councilor Pepin, seconded by Councilor Michaud, made a motion to move forward with the project & approve the use of the funds, provided that it is approved by the School Board. The motion passed, 3-0.

Councilor Sprague entered at 3:30

CITY INVESTMENT POLICY

Director Smith explained that this is a housekeeping matter required by RSA that the policy is adopted each year. There are no changes; City is using the same investment vehicles. Smith gave a brief overview of the investment objective. There was a discussion regarding what Banks are used by the City and the present use of locally situated banks.

Councilor Pepin, seconded by Councilor Michaud, made a motion to send the City's Investment Policy to full council for a re-adoption vote. The motion passed, 4-0.

W-P ENGINEERING AMENDMENT; SRF UPDATE

Wright Pierce requested an amendment to their agreement for the WWTP/wastewater treatment plant upgrades approved by Council. Director Smith explained that additional funding of \$155,000 is required for additional engineering work. Discussion centered around State SRF/State Revolving Loan Funds not being presently available for the additional project scope's cost and the need to sign an engineering amendment. There are 2 solutions:

- Adopt a supplemental appropriation in the amount of \$155,000, increasing the engineering contract from \$863,000 to \$1,018,000.
- If the City is concerned with the additional project funding of \$1,900,000 (increase approved with Res 1-19), a bond issued in that amount could be authorized, and remain unissued, until a final determination is made on the availability of the SRF funding.

Councilor Michaud, seconded by Councilor Pepin, made a motion to endorse an ordinance for a supplemental appropriation in the amount of \$155,000 to cover the additional engineering cost for WWTF. The motion passed, 4-0.

TAP GRANT UPDATE/CEMETERY ROAD COMPLETE STREETS

City Manager Belmore stated that the estimated project cost is at \$1,460,000; \$473,500 over TAP Grant budget. Director Smith explained the options. The City could reduce the scope and remove certain elements of each segment to bring the project in line with funding from the TAP Grant. The other option would be to remove the Cemetery Road sidewalk segment and include that part of this project with the Cemetery Road improvements currently being engineered by Wright/Pierce, reducing the project scope by \$414,000.

Councilor Michaud, seconded by Councilor Pepin, made a motion to endorse the strategy outlined by City Staff, to remove Cemetery Rd sidewalk construction from TAP Grant funding

and have the project completed by the City's completer street project being designed by Wright/Pierce. The motion passed, 4-0.

WATER INTERMUNICIPAL AGREEMENT (TENTATIVE) UPDATE

There was lengthy discussion regarding the allocation of financial responsibility of the annual operation and maintenance fees as well as future capital cost needs. There was discussion about the number of users/units in Somersworth and Dover.

Committee consensus is not to change the City's present position on the agreement in regards to future capital outlay/improvement costs that may be needed.

PROPERTY TAX DEEDS

Tabled.

SOLAR ARRAY PROJECT UPDATE

City Manager Belmore reported that the investment companies have changed. There is concern about responsibility, if something should go wrong with the landfill remediation process and what costs or liability the City might be exposed to address. Committee consensus was the City needed to maintain its ability to back out of the project if needed.

Committee consensus was to add this item to the November 5, 2018 agenda for full Council discussion.

REPORTING

Nothing to report.

MISCELLANEOUS

None

ADJOURNMENT

Councilor Pepin, seconded by Councilor Michaud made a motion to adjourn at 4:01 PM Motion passed 3-1, Councilor Sprague opposed.

Respectfully submitted,

Trish Harris, City Clerk