

MINUTES OF THE FINANCE COMMITTEE
EXECUTIVE CONFERENCE ROOM
January 29, 2020 @ 4:00PM

Committee Members present: Councilor David A. Witham, Chairman
 Councilor Donald Austin, Vice-Chair
 Councilor Martin Pepin

Administration/Staff present: Bob Belmore, City Manager
 Scott Smith, Finance Director
 Robert Gadomski, SAU Superintendent
 Deborah Evans, SHA Executive Director
 Keith Hoyle, Fire Chief
 David Kretschmar, Police Chief
 Mike Bobinsky, Director of Public Works & Utilities
 Kelly Gagne, Deputy City Clerk

Other: Councilor Richard Michaud

The meeting called to order by Chairman Witham at 4:00 PM.

APPROVE PAST MEETING MINUTES

Councilor Pepin, seconded by Councilor Witham made a motion to approve the minutes of the November 26, 2019 meeting. Motion passed 3-0.

MIDDLE SCHOOL ELEVATOR REPLACEMENT – BOND ISSUANCE

Manager Belmore stated that this was discussed at the Joint Commission City Council/School Board meeting where they voted to support the replacement of the Middle School elevator. He passed out a draft Resolution outlining the pricing of a recommended amount of \$650,000, with a 10 year bond payment.

Superintendent Gadomski stated that he put this in as marker in the CIP for \$600,000, which is right around where the estimated cost is. He mentioned that there is a retiring bond from the Kindergarten upgrades at the end of this year

Councilor Witham asked if the architectural design is included in this price and will this be an exterior elevator added to the side of the building. Superintendent Gadomski stated that the estimated price includes architecture, engineering, construction, and any other ancillary costs associated with the project design and that the new elevator will go just to the right of the current elevator.

Councilor Witham asked about the memo that was included in the packet regarding bond payments 10 years versus 15 years. There was discussion on the current school bond retiring at the end of this year and this elevator bond including length of the bond and what is best for the school budget.

Director Smith stated that a 10 year bond at \$650,000 would be an estimated \$81,000 a year payment, and a 15 year bond at \$650,000 would be an estimated \$59,000 a year payment.

Councilor Pepin, seconded by Councilor Austin made a motion that the Finance Committee sponsors a Resolution for a 15 year bond in the amount of \$650,000 for the Middle School Elevator Replacement. Motion passed 3-0.

Superintendent Gadomski left at 4:15pm.

FIRE BRUSH TRUCK BID

Councilor Witham updated the Committee on the re-bid for the fire brush truck to be outfitted with equipment to be able to fight brush fires. Manager Belmore explained that the purchase of this equipment will be made through a lease/purchase agreement that has already been approved by City Council.

Chief Hoyle explained that we have already received a Ford F450 Chassis and this equipment will be purchased to outfit the truck and used as a forestry vehicle

Councilor Austin, seconded by Councilor Pepin made a motion to approve the purchase of Fire Brush Truck equipment in the amount of \$45,286.15 from Eastern Apparatus. Motion passed 3-0.

SHA QUEENSBURY MILL 1996 CDBG PROJECT CITY MORTGAGE NOTE & LOAN AGREEMENT

Manager Belmore distributed a report from the former Director of the Somersworth Housing Authority, and two separate mortgage notes between the Queensbury Mill Partnership and the City of Somersworth. The City acted as a sub-recipient in 1996 for a CDBG grant for improvements to the Queensbury Mill Apartments. Although it is unclear to the City at this time, the mortgage notes and security agreements apparently were signed to secure the grant proceeds were completed as approved by the State; whereby the Somersworth Housing Authority would repay the City for the grant proceeds over 30 years starting in 2026.

Manager Belmore informed the committee that this was not City money, and if we received payment the City would have to turn it over to the State of NH. The SHA has requested the City forgive the debt. City Attorney contacted the State and they were agreeable to the City forgiving this debt. The recommendation being considered would be to have the City Council take action to forgive the debt.

Director Evans spoke about the partnership with Queensbury Mill and explained what the limited partnership means.

Councilor Pepin, seconded by Councilor Austin made a motion to authorize the City Manager to continue to finalize the work necessary so that a Resolution could be introduced to the full Council to recommend forgiving the debt . Motion passed 3-0.

Director Evans left at 4:30pm.

WATER DIVISION ENGINEERING STUDIES: STANDPIPE AND WELL STUDY UPDATES

Manager Belmore updated the Committee that there are currently two projects for the Water Division. The first project is a study to be done by an engineering firm to look at rehabilitation, or replacement of, the water tank located at the Noble Pines. City staff interviewed the three engineering firms that submitted bids. We need to validate if we need to take it down and replace it in that spot or move to another spot within the City. Currently we may be able to couple this project with a \$20,000 grant that would allow us to update our water distribution plan. The grant application is this week, and we anticipate a decision in a couple weeks at which point we will bring the entire project forward for Committee consideration.

The second project is an evaluation of the wellfield located on Rocky Hill Road. The purpose of this study is to determine the value of the wells there, determine if the City should bring them back on-line, and what the cost/benefit would be to do so. City staff received 7 bids and interviewed 4. One of the consultants we interviewed was unable to have the project manager there during the interview and we have scheduled an appointment with them next week to meet the project manager. We are leaning in a certain direction but we are under no rush; as summer is the best time to do this.

Chief Hoyle left at 4:35

REPORTING

Director Smith went over the department budgets with the Committee. Currently, all departments are well within budgeted bottom lines. We are still keeping a close eye on the Department of Public Works for winter operations. The current issue we are dealing with is recycling; it looks like that line will be over budget by \$60,000 - \$70,000 dollars, there has been a tipping fee of \$6,000 per month from Waste Management.

The Fire administration line is over due to the assistance from MRI to do our recruitment for the new chief position.

Councilor Witham asked for an estimate of what is currently in the fund that was set up to help with the recycling budget line. Director Smith stated that there is approximately \$13,000 and we calculate an estimated \$20,000 - \$25,000 dollars will be available by year end.

There was discussion on possible ways to reduce the recycling in the City to save on these costs.

Councilor Witham spoke that at the last Planning Board Meeting there was discussion regarding the area behind Poppy Seed Store with lighting. Manager Belmore stated that those lights should have been transferred to the new owner when the parking lot was sold; we are now in the process of making that happen. Another one will be transferred to Citizens Bank.

MISCELLANEOUS

Manager Belmore explained that Chief Kretschmar has brought forward information regarding a grant known as the Department of Justice COPS Grant. This grant, if received, will pay for 75% of the salaries and benefits of those officers, with the City covering the remaining 25%.

Chief Kretschmar explained that the process started on January 9, 2020. He stated that his goal is to apply for two positions. These positions will consist of two full time officers with separate areas of focus being violent crime and school based policing. We have done this program before and we have never released anyone off this after the grant is done.

Councilor Witham agreed that this is a good idea and would allow the City two full time police officer positions and to only have to pay 25%.

Chief Kretschmar stressed that this is a tough grant process and not a guarantee. There was discussion on what the positions would be and that we could be offered one position not two as we requested, or none at all.

Councilor Pepin, seconded by Councilor Austin made a motion to support a Resolution to approve in the application process for the Department of Justice COPS Grant for two new police officer positions. Motion passed 3-0.

Manager Belmore requested that the committee review a memo prepared by Director Bobinsky regarding the Department of Public Works back-up generator that went out to bid as a result of a grant the City received.

Director Bobinsky stated that specs went out to bid and we had received six proposals. The lowest bid was from Bear Hill Electric out of Hollis Maine being \$39,900 for a diesel generator. We thought that a propane generator is a better option as we already have propane for heating purposes. We suggest the alternate propane powered generator for purchase and installation. Bear Hill out of Hollis, Maine will do all the work, warranty, training and installation of the cement pad as well. We had never heard of this company so City staff researched references for the company and all were great reviews.

Councilor Witham liked the idea of installing a propane generator and the conversion being easier because we already have propane for heating. He was thankful for checking references.

Director Bobinsky informed the committee that the grant has a local match of 25% which is approximately \$9,500.

Councilor Austin, seconded by Councilor Pepin made a motion to move forward with the purchase and installation of a Kohler 60-watt propane generator installed by Bear Hill from Hollis, Maine for an amount not to exceed \$50,000, with the local match coming from Contingency. Motion passed 3-0.

ADJOURNMENT

Councilor Pepin, seconded by Councilor Austin made a motion to adjourn at 4:59 PM. Motion passed 3-0.

Respectfully submitted,

Kelly Gagne, Deputy City Clerk