

MINUTES OF FINANCE COMMITTEE MEETING  
EXECUTIVE CONFERENCE ROOM  
June 30, 2016, 8:00 a.m.

Committee Members present:       Councilor David Witham, Chair  
  Councilor Martin Pepin  
  Councilor Martin Dumont (in place of Councilor Sprague)  
  Councilor Jennifer Soldati

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

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Chairman Witham called the meeting to order at 8:05 a.m. Councilor Dale Sprague was recused, conflict of interest.

MINUTES OF THE PREVIOUS MEETING

Motion made by Councilor Pepin, seconded by Councilor Witham, to accept the minutes of the meeting of June 10, 2016 as presented. Motion carried by a vote of 2-0, Dumont abstains.

BONFIRE RECOVERY SERVICES SEWER FEE ABATEMENT REQUEST

A memo was distributed from Finance Director Smith. Director Smith explained the background and how the fees are assessed. Based on the City's sewer ordinance, \$1800 per bedroom or bedroom equivalent is charged. The property at 472 High Street is classified as a residential institution that is not a hospital or nursing home. They received a credit for the office unit that was there. Bonfire approached the city asking for a fee calculated on the usage at their facility in Dover; 50 gallons per day per person.

Councilor Soldati entered at 8:11.

After crunching the numbers, there would be a fee of about \$12,000. The numbers in the memo are an example based on the estimated actual use for the number of occupants.

Councilor Soldati asked if the system we use now is a fair formula and do we need to look into the system to see if we need to look into this and change the procedures.

City Manager Belmore said that based on the feedback, we need to look at the ordinance and make it clearer. In a lot of instances, this is not for a new build, but for a change of use. We need to be perceived as being business friendly. There will be a proposal in the near future.

Director Smith said a lot of communities use this chart from the state.

City Manager Belmore suggested to the committee that there may not be any hard and fast rules for the abatement process, like with the Board of Assessors. The committee can have some play based on projects and need.

Councilor Witham said their task was to examine the abatement request, decide on granting an abatement, and what that figure would be. They are to make a decision. Councilor Witham said he gravitates to the 30k number based on the numbers from Dover. He remembers that there was an inn there at one time.

Councilor Dumont, said in consideration, there are societal influences. We have made a commitment based on the heroin epidemic, and this project is supporting this effort. He suggests that this be a full abatement based on these details. Our area does not have a facility for treatment. This case deserves more compassion based on the need for a facility. Both facilities are merited to have no fees paid. There are a lot of variables to base the fees on etc, but this is a societal need.

Councilor Soldati said she disagrees. Bonfire is a for-profit facility. If this was a nonprofit she would be all for it. But this is a business, and they make money. She cannot see waiving the fee completely.

Councilor Witham said he supports the efforts of Bonfire to have more facilities in the area, especially in Somersworth. They do not serve only Somersworth residents. The purpose of the sewer impact fee is that the wastewater treatment facility has needs. There are upgrades that need to be done at the plant, and when we add users of this type, it adds to the load. Whether they be for-profit or non-profit, they impact the load on the plant. It is the fair thing to the sewer user to help support the sewer treatment.

Councilor Pepin asked about the formula, and said he was leaning toward the \$12,000 fee. He supports us trying to do as much as we can to help support the Drug Task Force.

Councilor Dumont said that these are two existing buildings that have already been approved for this usage. The enterprise fund has been fruitful, with good management. We cannot guarantee that only Somersworth residents will use this facility. By charging a fee, the sewer fund is charging money to provide services to the facility. This is something that we all agreed to, not expecting this type of impact because of this epidemic.

Director Smith said based on 19 people in the rooming house, the number would be \$12,600.

***Councilor Pepin, Seconded by councilor Soldati, made a motion to grant abatement request to lower the amount of the Sewer Fee to \$12,600. The motion passed by a vote of 4-0.***

TRANSITIONAL HOUSING, 21 GRAND STREET, SEWER FEE ABATEMENT REQUEST

Finance Director Smith discussed a memo that was distributed by him. A credit is calculated for 11 bedrooms, which was paid in 1999. The fee comes up to \$16,200.

City Manager Belmore said the original letter said they requested abatement to pay a total of \$4,055. They are now asking for a full abatement. They are a nonprofit.

City Manager Belmore said the committee may want to apply the same rationale process as was used with Bonfire and apply a credit for the 29 beds that have already been approved.

Director Smith stated the transitional housing project has been approved for 25 beds. If we apply a credit for the prior approval of 29 beds, the fee would be \$0..

***Councilor Dumont made a motion, seconded by Councilor Pepin, to approve the full abatement to \$0, seconded by Pepin. The motion passed by a vote of 4-0.***

REVIEW POLICE DEPARTMENT PURCHASES – REVIEW JAG GRANT AND DRUG FORFEITURE FUNDS

Chief Kretschmar said the Federal JAG Grant comes up every year. An amount of \$37,007 and there is a specific list of upgrades. They are looking at purchasing 60 taser cartridges and upgrades to the IT system in the patrol cars. (See memo). The aircards in the cruiser laptops are outdated, and they would like to update the system. The new system would have 4G and GPS capability. The upgrades will cost \$12,904.00.

The department will use funds from the Drug Forfeiture Fund to purchase bulletproof vests and spare service weapons. On duty patrolmen are required to wear vests whenever on duty. These vests typically have a lifespan of 5 years. There are 28 positions that have vests that are over the 5 year lifespan. Also need vests for new employees. These will be purchased through the state bid process. The vests are \$785 each, for a total of \$21,980 for the vests.

The department would like to purchase 3Sig Sauer P229's at a cost of \$644.30 each, to be added to inventory at a total cost of \$1932.90.

Councilor Witham said he fully supports these purchases.

Soldati said she would like to see us be a more modern PD. It is a statement from city government that we want a professional police force.

Councilor Dumont said he is very pleased, and it is the right thing to do.

***Councilor Soldati, seconded by Councilor Pepin, made a motion to approve the purchase of the vests and the firearms at a total cost of \$23,912.90 from the Drug Forfeiture Fund. The motion passed, 4-0.***

There was brief discussion about the purchase of 2 Ford Explorer SUVs. This still needs further review.

WATER TREATMENT FACILITY LAGOON CLEANING, RMI CONTRACT  
(RESOLUTION NO. 31-16)

The City recently contracted with Resource Management to remove sludge in 2 lagoons at a cost of \$42,512. Director Bobinsky said this is an operational project. Chief Operator Kirchofer said they estimated 320 tons of material to be removed. Due to the moisture content in the sludge, a total of 477 tons of material was actually removed from the lagoons, putting the project over budget by \$4,467. They are seeking authorization to overspend the contract with Resource Management by that amount.

Councilor Witham said, in his opinion, this is short money.

***Councilor Dumont, seconded by Councilor Pepin, made a motion to authorize the additional \$4,467. The motion passed, 4-0.***

CITY HALL HVAC

A rooftop fresh air circulator is a budgeted FY17 item. Many councilors and staff have been frustrated with the current system.

Design Day was hired by the school and it was recommended by Andy Lucier and Superintendent Jenni Mosca to use this company.

There was discussion about replacement, daily savings with a new unit.

City Manager Belmore is recommending proceeding with two projects with Design Day. The first is for them to prepare a scope of work for the energy recovery ventilator on the roof of the City Hall. Money has been appropriated in the FY17 budget to replace this unit, and this will provide the specifications to put it out to bid. The cost for this is \$1,600.

The second is for a complete survey of the City's HVAC system that will provide a listing of all equipment with recommendations for overall replacement and/or improvements to the system, including cost estimates. The cost for this survey is \$1,200.

This is within the City Manager's spending authority, so he will move forward.

SCHOOL CTC BROADCAST EQUIPMENT

Superintendent Jenni Mosca submitted a list of CTC equipment needed for broadcasting. There was brief discussion about uses and need for equipment. The cost for this equipment is \$34,599 and will come from the Cable Franchise Fund.

***Councilor Witham, seconded by Councilor Pepin, made a motion to support a resolution going to full council regarding the purchase of the needed equipment with funds from the Cable Franchise. The motion passed, 4-0.***

## MISCELLANEOUS

City Manager Belmore said the facade of the Plaza needs to be cleaned. City Staff sent bid requests to 3 companies and received one proposal back from Bluesky power washing. They specialize in stucco and brick. They can complete the work in 2 days, at a cost of \$5800.

Councilor Witham said beyond cleaning there are some other needs that might need to be addressed.

There was discussion about selling the facade and parking lot. Councilor Dumont suggested a "condo association" with the unit owners; we control the maintenance and upkeep, but charge the owners.

***Councilor Pepin, seconded by Councilor Dumont made a motion to award the bid to BlueSky for the amount of \$5,800. The motion passed, 4-0.***

Director Smith said they received 3 proposals for the lease/purchase agreement for the vehicles. The committee discussed the options for 3 year and 5 year terms and decided that the 3 year terms were best for the needs of the City.

***Councilor Pepin, seconded by Councilor Dumont, made a motion to endorse a resolution to full council for the lease/purchase of the needed vehicles. The motion passed, 4-0.***

City Manager Belmore said he wants to place on the agenda for the next meeting, an agreement to delay eviction. It happens infrequently. He would like authorization to be able to handle this between the attorney and the resident.  
No object from Finance committee.

At this point, Councilor Witham, recused himself due to conflict of interest, and turned the Meeting over to Councilor Soldati.

PRIMEX INSURANCE CAP PROGRAM PROPOSAL

The City received a memo from PRIMEX regarding the Contribution Assurance Program (CAP). This is for Workers Comp Insurance and liability insurance. This memo was a guarantee that the rate won't increase more than 9%.

***Councilor Dumont, seconded by Councilor Pepin, agreed to the offer of the CAP program with PRIMEX. 3-0.***

NONPUBLIC SESSION

***Councilor Soldati, seconded by Councilor Pepin, made a motion to go into Nonpublic Session @ 9:29am. The motion passed by voice vote, 4-0.***

Members were provided with an update on a legal matter by City Manager Belmore and Finance Director Smith.

***Motion by Councilor Pepin, Second by Councilor Soldati to come out of non-public at 9:33. Motion carried unanimously.***

***Motion by Councilor Pepin, Second by Councilor Dumont to adjourn at 9:34. Motion carried unanimously.***

Respectfully submitted,

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Trish Harris, City Clerk