

COMMITTEE OF THE WHOLE BUDGET WORKSHOP

May 14, 2019

CITY COUNCIL CHAMBERS

7:00 PM

COUNCILORS PRESENT

Councilor Abbott
Councilor Bogan
Councilor Gates
Councilor Gray
Councilor Hamann
Councilor Hutchinson
Councilor Keans
Councilor Lachapelle
Councilor Lauterborn
Councilor Torr
Councilor Walker
Deputy Mayor Varney
Mayor McCarley

OTHERS PRESENT

Blaine Cox, City Manager
Mark Sullivan, Deputy Finance Director
Roland Connors, Deputy Finance Director
Peter Nourse, Director of City Services
Sonja Gonzalez, CIO
Paul Toussaint, Chief of Police
Mark Klose, Fire Chief
Jennifer Marsh, Interim Director of
Economic Development
Michelle Mears, Senior Planner
Chris Bowlen, Director of Rec and Arena
Kelly Walters, City Clerk

Minutes

1. Call to Order

Mayor McCarley called the Committee of the Whole budget workshop to order at 7:00 pm. Deputy City Clerk Cassie Givara took a silent roll call. All Councilors were present.

2. Public Input

Mayor McCarley invited members of the public to come forward and address the Council. No one came forward to speak.

3. Debt Service Update

Mark Sullivan, Finance Department, gave an overview showing the process of how the City comes up with principal debt. Mr. Sullivan gave a summary comparing the principal which had been issued versus what had been authorized but not yet issued.

Mr. Sullivan went over the 4-3-4 Plan; a guideline which the City Manager has requested that departments adhere to when developing their bonded CIP requests. This plan recommends limiting the amount of new

bonded debt by staying below \$4 million on the general fund, \$3 million on the Water Fund and \$4 million on the Sewer Fund. The purpose of this plan is to set a baseline for new bond appropriation levels. The 4-3-4 amounts will be averaged over the course of the next 5 fiscal years and will help to stabilize the bond issue cycles, stabilize general fund debt limit and lessen future impact to Tax Cap and water/sewer user rates.

It was summarized that although the City debt is elevated, it is manageable and the General Fund debt limit is good.

4. CIP Budget Presentations:

4.1. Public Works, Public Buildings, Water, Sewer, Community Center

Peter Nourse, Director of City Services, stated that the Department of Public Works had developed a plan which meets the CIP needs of the City as well as adhering to the concept of \$4 million average per year for the General Fund, \$3 million for Sewer and \$4 million for drinking water. Mr. Nourse presented the CIP bonding plan for the next six fiscal years.

Mr. Nourse directed Council to Pages 19 – 23 of the CIP booklet for the Public Buildings and Grounds projects. He stated there are no bonded projects from Buildings and Grounds. There were no questions presented by Council.

Mr. Nourse referred to the Highway CIP projects on Pages 45 – 57 of the CIP booklet.

Councilor Varney asked about the Asset Management Program (page 46) and how close the City was to being done investing in the software. Mr. Nourse stated that the City has spent about \$350,000 over the course of the past several years and there have been multiple grants awarded which have helped. There is still approximately \$155,000 still left on the books. Mr. Nourse clarified that these current CIP requests are for gathering field data. In particular for highway, it is drainage data are seeking. Mr. Nourse said the City has a lot of spatial and locational data, but not as much information on what is under the ground.

Councilor Varney asked Mr. Nourse if DPW would be looking for any investment in FY21 or FY22. Mr. Nourse answered that there would be licensing fees, but they would be absorbed by the O&M Budget.

Councilor Varney asked about the Columbus Avenue/Summer Street intersection project. He asked if Mr. Nourse felt this intersection was a top

priority when there were other streets which seemed to be in greater need of being addressed, namely Wakefield Street.

Mr. Nourse answered that the idea was the Columbus/Summer intersection would be done in conjunction with the Wakefield Street redesign. There will be a new intersection of Wakefield Street with Columbus Avenue which will improve traffic flow, but the issue with the Columbus/Summer intersection would still exist causing traffic bottlenecks.

Councilor Torr asked if the City would have to purchase property from Profile Bank for the Columbus/Summer intersection project. Mr. Nourse said the City would have to purchase some land from the bank; the west side of the road is where the road would need to be expanded due to the railroad tracks on the opposite side of the road.

Councilor Torr stated there would be some utility work being done as well; there is a fire hydrant in this area. Mr. Nourse confirmed that there would be some water work.

Councilor Varney reiterated that Council should have a discussion over the next few weeks about the importance of the Columbus/Summer intersection. He stated that there were other streets that he felt should take priority.

Councilor Varney referred to the Vehicle Replacement Program on Page 56 and asked for clarification on the Vac Truck which is a proposed purchase. Mr. Nourse stated that they hope to replace the 1998 Vac Truck which has both body and engine problems. The new Vac Truck would replace this 1998 model and the cost would be split across then three funds.

Councilor Walker noted that there were no sidewalk plows listed in the vehicle replacement programs and inquired about the state of the department's current sidewalk plows. Mr. Nourse stated that the three sidewalk plows the department owns were all rebuilt a number of years ago and are in good working condition. Mr. Nourse stated that there could be an additional sidewalk plow added to the inventory, but they would need additional trained staff to operate the plow. These sidewalk plows cost in the \$160,000-\$175,000 range.

Councilor Walker inquired about the North Main Street Sidewalk project. Mr. Nourse indicated this item had resulted from a resident who spoke at public input during a Public works Committee meeting and mentioned that there was a 700-foot section of North Main which doesn't have a sidewalk. It is an area which does have a good amount of pedestrian traffic and it's a major

spoke into the City. Councilor Walker agreed that it was a major connection and will be important when the Strafford Square project is completed.

Councilor Keans inquired about the sidewalks on Union Street and when they would be fixed. Mr. Nourse asked for specifics and indicated that Union Street sidewalks are not currently on the list of those to be repaired. He stated that he could bring this item to the Public Works Committee. Funding for these sidewalk repairs has been reduced, but the Committee can discuss which areas need to be addressed.

Mr. Nourse directed Council to the Water CIP projects found on pages 101-111 of the CIP Budget Booklet.

Mr., Nourse requested a motion to add a project which is not contained in the CIP Budget booklet, but the need was realized after the book was printed. The request is for a water meter replacement project. These are the high-revenue meters needing replacement and the cost estimate is \$200,000. If this project is bonded, it would still keep water under the annual average of \$3 million.

Councilor Varney inquired how many meters this project is proposed to replace. Mr. Nourse answered that this would cover 400 high-revenue meters out of the City's 7800 total meters.

Councilor Varney inquired if they could all be replaced in one year. Mr. Nourse said it would be ideal if they could be replaced in one year. It was clarified that the replacement process would be contracted out and this is already included in the cost estimate.

[FY20 Budget Adjustment]

Councilor Walker **MOVED** to add a project to the Water CIP for the replacement of 400 large-revenue water meters in an amount of \$200,000. Councilor Bogan seconded the motion. The **MOTION CARRIED** by a majority voice vote.

Councilor Varney requested more information on the Round Pond project. Mr. Nourse stated this item is on the agenda for the Public Works Committee's June meeting at which time there will be updates given. Mr. Nourse stated that the cost estimates included for this project in the CIP booklet are for legal expenses associated with the project, and for FY21 construction costs for the dams to augment the level of Round Pond.

Mr. Nourse stated that this project will double the capacity of Round

Pond and will meet the City's drinking water needs for perpetuity.

Director Nourse referred Council to the Sewer CIP projects on Pages 122-136.

Mayor McCarley inquired about the \$30 million in regards to the water treatment plant and the permitting process and asked if the amount varies. Mr. Nourse indicated that this amount has remained the same for quite some time and represents the worst case scenario.

City Manager Cox reminded Council that if the water plant does need to be built, the operational costs will be \$1 million annually.

Councilor Varney asked if the Woodman/Myrtle project (page 108 and 132) is shovel ready. Mr. Nourse answered that this is a work in progress; much of the design has been done, but there are some permitting issues. He stated that this will be updated at the Public Works Committee meeting in June and he would be looking for Council feedback. He stated that the CIP request is for construction funds because if it is approved by Council, the work can begin next summer.

Mr. Nourse referred Council to the Community Center project on Page 154, a cash project to install a mini-split air conditioning system. Mr. Nourse said that there is a great need for this system as it gets very warm in this office in the summer months.

Councilor Lachapelle inquired about the Community Center bathroom renovation project (page 154) proposed for FY21. Councilor Lachapelle stated that he thought these bathrooms had already been renovated within the past several years. Mr. Nourse clarified that there are bathrooms located upstairs and downstairs; the previous renovation had been of one of the downstairs bathrooms and this current CIP request is for the other downstairs bathroom.

4.2. Information Technology

Sonja Gonzalez, CIO, directed Council to pages 13 – 15 of the CIP budget booklet. Ms. Gonzalez reported that the department has three cash CIPs totaling \$263,500 dollars. She stated that these CIP amounts were intentionally lower than the previous fiscal year. This is due to projects which are being carried over from the previous year and being finished at the start of FY20.

Ms. Gonzalez said that the three CIP projects were the same items as the previous fiscal year; network upgrades, hardware replacement, and

software upgrades.

4.3. Police and Dispatch

Police Chief Toussaint reported that the Police Department has four CIP projects and directed council to pages 29 – 32 of the CIP Budget booklet.

Chief Toussaint referred to page 29 detailing the continuation of the Vehicle Replacement Program. He stated that the request is to purchase two frontline vehicles and one backline detective's vehicle. The department is also asking to keep one of older frontline vehicles for patrol. This older model would be for use by the school resource officer who is required to travel to the different schools throughout the City, and the Community Engagement Officer who travels to events and meetings frequently as well.

Chief Toussaint referred the Council to page 30, the continuation of the cruiser radio replacement program. This project is ongoing, and there is an increase of \$8000 for this year. Some of the cruisers still contain hard mounted radios which are now obsolete. They are currently still working, but if/when there are problems there are no longer replacement parts or repairs available. The plan has been in place for several years to replace the older model radios as they fail or when new vehicles are purchased. This project will be completed this fiscal year.

Councilor Lachapelle asked how long these new radios would be supported before they also become obsolete.

Chief Toussaint replied that there was no way of knowing how long these new radio would last exactly, but it would not be short-term.

Chief Toussaint directed Council to page 31 of the CIP Budget booklet, the Taser Replacement Program in an amount of \$15,840. He indicated that this is the year three cost of a project which started in FY 18 to replace the obsolete Taser models in the department.

Chief Toussaint clarified that the program, Taser 60, is a financing program where equal payments are made yearly over the course of 60 months. Coincidentally, the department had received 60 Tasers through the program, but the program is not named for this reason.

Councilor Keans asked for clarification on the potential funding source listed on the Taser CIP project and why "school" was listed as an anticipated funding source. City Manager Cox stated that this is just the terminology which is listed in the database which shows the source as cash or bond from

"City/School." Finance Director Sullivan confirmed that this is just a category title in the system. Councilor Keans stated that she felt this title is misleading and should be changed. There was a brief discussion regarding this title and how it had appeared this way on every budget for quite some time. Mr. Sullivan indicated he could have this reprogrammed in the database so it would not appear this way on future budgets.

Councilor Walker asked Chief Toussaint how many Taser-carrying officers are currently on the force. Chief Toussaint answered that all officers of every rank on the force are issued Tasers. The Chief stated that the Department is allotted 59 sworn officers, but they do not have 59 staff members who carry Tasers. There are a few extra Tasers in the department.

Chief Toussaint referred Council to Page 32 of the CIP book regarding Online Crime Reporting Software. Chief Toussaint stated that the Department currently has online crime reporting software that is ineffective and doesn't interface with records management system. This defeats the purpose because once a resident places a report online, a police department staff member still has to manually enter the information into the records management system and the citizen has to wait for an officer to contact them.

The proposed software is a LexisNexis product and will interface with the software already in house. This new software will allow citizens to place a report online 24-hours a day. It also allows citizens to add supplementary information to the report they have filed and add information without having to wait for an officer to come out to them. The online reports will be reviewed by officers and it will be determined if follow up is needed. Chief Toussaint stated that this new system will free up a lot of time spent by officers on minor complaints and reports not needing follow up. It would also alleviate the frustration experienced by citizens waiting for police follow up after a report. The initial cost of the software implementation is \$20,000 and there is a \$12,500 set up fee with a \$7,500 annual licensing fee. There would be no contract signed and if the department was not pleased with the program they could opt out at any time.

Mayor McCarley asked about the need for log-in to this system and expressed concerns regarding potential security issues for the public utilizing the system. Chief Toussaint stated that LexisNexis is widely used by law enforcement throughout the country and has been tested and proven to be reputable.

4.4. Fire

Fire Chief Klose referred Council to pages 33 – 42 of the CIP booklet and stated that the Fire Department has 10 CIP projects for FY20.

Councilor Walker asked about the project priority for the Command Emergency Vehicle being noted as “mandatory.” Chief Klose stated that the department currently has a 2004 Ford Expedition which has had a great deal of work done to it and did not pass inspection last year, they are requesting a replacement for that vehicle as well as a department pick-up truck for the on-call Deputy Fire Chief. Chief Klose reported that the Deputy currently uses his private vehicle for calls when he is away from the station. He is covered by the City through Primex for these calls and his mileage is covered by the City.

Chief Klose detailed the need for these ¾ ton trucks in order to haul the City’s four trailers, which are too heavy to be hauled by the Fire Department’s Ford Tahoes.

Councilor Walker noted that the vehicle request was for \$100,000, but there were no individual price amounts for the vehicles requested. Chief Klose stated that he would get these amounts.

Councilor Torr asked where these vehicles would be housed. Chief Klose clarified that these vehicles would be driven home by the Deputy Fire Chiefs because they are on-call 24-hours a day. There was a discussion regarding the need for proper maintenance to avoid rusting of the vehicle frames.

There was a discussion on what type of vehicles would be purchased. Chief Klose reported that the vehicles would be Ford F-350 or Ford F-250 under the State bid. The three dealerships in the Rochester area, while not on the State bid, are willing to work with the City to match the State bid.

Councilor Varney inquired about the request for an industrial washing machine and whether or not the machine currently in the Gonic station could be used for a few more years if a new machine was approved for the central station. Chief Klose said he had put in a request for two washing machines because the unit at the Gonic station is now 20 years old. Currently when employees at the central station need gear cleaned, it needs to be sent to the Gonic station to be cleaned and then delivered back to the other station.

[FY20 Budget Adjustment]

Councilor Varney **MOVED** to reduce the FY20 budget for on page 40 to \$15,000 and place \$15,000 in FY21. Councilor Lachapelle seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

Councilor Varney inquired when the Fire Engine which was currently on order could be expected. Chief Klose stated it would be October or November when the department would receive the engine. Councilor Varney suggested that after the close of the fiscal year, Council could consider purchasing one of the vehicles with cash rather than bond. City Manager Cox stated that they could review this after the close of the fiscal year.

Councilor Walker requested an explanation for the department's need for swiftwater rescue equipment.

Chief Klose explained that the boat the fire department currently uses is not recognized by the Swiftwater Rescue Working group of NH. The boat is not safe for use in rivers and is not designed for rescue use. Chief Klose detailed the benefits on having a boat specifically designed for water rescue, for both safety and efficiency.

Chief Klose stated that, in Strafford County, there are no departments which have a boat like the one referenced in the CIP request. If Rochester requires swiftwater rescue, the closest departments which have such boats are in Concord and Conway. Councilor Walker speculated that if Rochester purchases one of these boats, it would be a frequent request for mutual aid in other communities.

4.5. Building, Zoning and Licensing Services

Mark Sullivan, Deputy Finance Director, referred Council to page 43 of the CIP Budget booklet for the Viewpoint Software upgrade. He stated that this is the software that BZLS, Planning, DPW and Fire all use for issuing and tracking permits and planning projects. The software was implemented in 2015, but the developer has informed the City that they are upgrading to a new platform and the current version will no longer be supported as of June 2020.

Mr. Sullivan said that there is a large amount of data currently in the system and that is what is used to calculate the net new construction amount used in the tax cap calculations.

If the City commits to upgrading by July of 2019, there will be a substantial discounts offered (\$35,000). The cost if approved for the FY20 budget would be \$54,000 which is cash funded from the City general fund.

Councilor Walker mentioned the additional \$34,000 fee for annual licensing. Mr. Kimball said this annual fee would start in FY21. Mr. Kimball also said that they anticipate there will be a 3% escalation in the fee.

Mr. Kimball said that Jim Grant, Director of Building, Zoning and Licensing, could opt to look at other options for software. Mayor McCarley stated that if there was a change in software, it would affect multiple departments.

Councilor Keans asked how long the City had been using the current version of the Viewpoint Software. Mr. Kimball reiterated that the City has been using this software since 2015.

4.6. Economic Development, Granite State Business Park TIF

Jennifer Marsh, Interim Director of Economic Development, referred Council to page 8 for the GSBP CIP request for the Demolition of 294 and 296 Rochester Hill Road.

Councilor Varney asked how much cash was in the Granite State Business Park TIF. Ms. Marsh stated that in the 2008 report, it was noted that there was \$92,029.76 in the TIF.

Ms. Marsh referred Council to Page 10 of the CIP booklet, for a Wayfinding signage system. Ms. Marsh reminded Council that the Beta group had presented the Wayfinding signage in spring of 2018. This would be a two phase process, with \$200,000 in FY20 and \$220,000 in FY21.

Michelle Mears, Senior Planner, addressed Council regarding the importance of signage in the City. Ms. Mears emphasized the number of non-residents traveling into the city for events and activities and the need for signage directing these patrons to their destinations as well as available parking. Ms. Mears stated that the first phase of the project would focus on the downtown area, corridors into the City, and parking downtown.

There was a discussion regarding the City logo being placed on the City signs and the presence of a church silhouette in the logo.

[FY20 Budget Adjustment]

Councilor Varney **MOVED** to reduce the first year of the Wayfinding signage project from \$200,000 to \$100,000 and change the funding source to existing funds from the "Economic Development fund." It was clarified that \$100,000 is transferred annually from Host Community fees into this Economic Development Fund. Councilor Torr seconded the motion. The **MOTION CARRIED** by a majority voice vote.

Ms. Marsh referenced the Gonic Brickyard Project in page 11 of the CIP booklet. She stated that upon discussion with the City engineer, they have decided to rescind their request for \$25,000 for the Brickyard project because the property is not ready for this phase to move forward.

[FY20 Budget Adjustment]

Councilor Walker **MOVED** to remove the \$25,000 request for the Brickyard Project. Councilor Hutchinson seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

Councilor Varney asked for clarification on the anticipated funding source for the Brickyard project which is listed as "Economic Retained Earning." Mr. Sullivan stated that this is the Economic Development Fund referenced earlier in the presentation for the wayfinding project.

Ms. Marsh directed Council to page 12 of the CIP booklet for the FY21 paving the public alley behind North Main Street Buildings. Ms. Marsh stated this was part of the renovation and redesign of the Salinger block to make the area more safe and attractive for residents and potential developers.

[FY20 Budget Adjustment]

Councilor Varney referenced the \$25,000 which had been removed from the FY20 budget for the Brickyard project. Councilor Varney **MOVED** to increase the Wayfinding Signage Project by \$25,000 for a total of \$125,000. Councilor Lachapelle seconded the motion. The **MOTION CARRIED** by a majority voice vote.

4.7. Arena

Chris Bowlen, Director of Recreation and Arena, referred Council to pages 149 – 152 of the CIP booklet. Mr. Bowlen stated that of the four requested projects, two are bonded and two are cash.

Mr. Bowlen referenced the Arena Front Renovation Project on Page 149 in the cash amount of \$30,000 for FY20 and directed Council to the photographs contained in the meeting packet showing the degree of deterioration and the need for renovation.

Mr. Bowlen directed Council to page 150 of the CIP booklet regarding a bonded request for \$225,000 for the Arena Sprinkler System. Mr. Bowlen stated that this project has been a placeholder for several years. It is an issue of complying with life safety codes which would allow assemblage in this

facility.

Mr. Bowlen referenced the cash project on page 151 for Indoor Turf in the amount of \$80,000. He stated that this flooring would allow for multiple uses, enhance their programming opportunities and increase revenue during the offseason. He indicated the payback for this project would be 5 – 7 years.

Councilor Keans asked if there were any concerns with this artificial turf, such as fumes from the material or adhesive. Mr. Bowlen stated that they would do their due diligence to ensure there were no problems. He said that the issue with outdoor turf is often the rubber material used to weigh down the material. The indoor turn being proposed would not be adhered in any way and would not use the aforementioned rubber material.

The final bonded project on page 152 was for Parking Lot Renovation. Mr. Bowlen noted that a piece of the parking lot is owned by the YMCA, although the majority is owned by the City and the City does have easements through the lot. The proposal is for reclaiming, resurfacing and adding drainage which does not currently exist in the lot.

Councilor Torr asked how the paving would work with the private property owned by the YMCA.

Mr. Bowlen stated that approximately 20% of the parking lot is owned by the YMCA and to his knowledge, the YMCA's local Board has convened to discuss this parking lot and to form a committee to work with the City, although the City has not had any recent communication on the matter. Mr. Bowlen said he conferred with the City Attorney and he stated that due to the easements, it was indicated that any improvements made would constitute improvements to City property and would serve the City's needs more than the YMCA's needs.

Councilor Torr asked if the parking lot was going to be ground prior to paving and if the project would be put out to bid. Mr. Bowlen confirmed that they would need to grind the parking lot prior to paving and the project would go through the normal City bid process

Councilor Varney stated that the City would have to make it clear what their expectation are for the YMCA in regards to the easements in the parking lot once the parking lot project is complete.

4.8. City Clerk

Kelly Walters, City Clerk, refereed Council to page 17 of the CIP booklet

regarding Agenda Setting and Packet Management Software.

Councilor Varney asked for more details on how this software would be beneficial and questioned why the current process was not sufficient.

City Manager Cox explained that this software would make the process more streamlined and efficient. The way the files are collected and compiled currently is a manual process and is time consuming.

Ms. Walters referred Council to page 18 with the FY21 request for Voting Machine Replacement Program. Councilor Gray clarified that there would be legislation coming before the State House saying that the Ballot Law Commission would examine all ballot counting devices and approve new devices every 5 years. Currently, the State still requires that all ballot counting devices use a memory card with a metal security device covering the slot amongst other requirements. Councilor Gray stated that it would likely be another one or two fiscal years before any of this can take place and be approved by the ballot law commission.

4.9. City Manager

City Manager Cox referred Council to page 9 of the CIP booklet which is a reoccurring item for purchasing new items or upgrading/replacing items related to the public TV system. He stated there is offsetting revenue for this CIP request, with \$27,000 coming from the franchising with Comcast.

5. Other

Councilor Varney referred to two projects under the Public Buildings portion of the CIP, the first to upgrade the playground equipment at the Rochester Common in FY21 (pg. 25) and the second to upgrade the playground equipment at Hanson Pines in FY22 (pg. 27). Councilor Varney suggested that these projects be moved forward. He stated that the playground at the Common is heavily used and not currently in good condition. Councilor Varney asserted that the City owed the public the opportunity to use these playgrounds. Because both of these projects are bonded, it will not affect the budget from a cash standpoint this fiscal year. If these projects are approved in June of this year, work will likely not begin until next year.

[FY20 Budget Adjustment]

Councilor Varney **MOVED** to change the Rochester Common Playground Upgrade and The Hanson Pines Playground Upgrade projects to FY20. Councilor Torr seconded the motion. The **MOTION CARRIED** by a

unanimous voice vote.

Mayor McCarley advised Council that the next meeting on May 21, 2019, would be an opportunity to make any desired budget adjustments. She suggested that Councilors carefully review the budget booklets over the course of the next week for any adjustments they would like to propose. There will be one final opportunity for budget adjustments at the May 28, 2019, meeting.

6. Non-Public/Non-Meeting

There was no non-public meeting held this evening.

7. Adjournment

Councilor Walker **MOVED** to **ADJOURN** the Committee of the Whole Budget Workshop at 8:35 PM. Councilor Lachapelle seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

Respectfully Submitted,

Cassie Givara
Deputy City Clerk