

FINANCE COMMITTEE

Meeting Minutes

Meeting Information

Date: September 13, 2016
Time: 7:00 P.M.
Location: City Council Chambers
31 Wakefield Street
Rochester, New Hampshire

Committee members present were: Mayor McCarley, Deputy Mayor Varney, Councilor Keans, Councilor Torr (arrived at 7:39pm), Councilor Lauterborn, and Councilor Gray (arrived at 7:18pm). Councilor Hamann was excused. Other City Councilors present were: Councilor Barnett, Councilor Willis (arrived at 7:08pm). Other elected officials present were: Police Commissioner Peters. City staff present were: City Manager Fitzpatrick, Deputy City Manager Cox, Police Chief Allen, Senior Accountant Sullivan, Public Works Director Storer, Economic Development Specialist Marsh.

Agenda & Minutes

1. Call to Order

Mayor McCarley called the meeting to order at 7 PM.

2. Public Input

There were no members of the public that addressed the Committee.

3. Unfinished Business

There was no unfinished business taken up by the Committee.

4. New Business

4.1 The Ridge Marketplace: Park/ Greenspace

Representatives of Waterstone Retail Development addressed the Committee regarding The Ridge Marketplace concept of an active "park" versus a passive greenspace. The representatives were Principal Josh Levy, VP of Development Doug Richardson and Marketing Director Jennifer Fairfield. Engineer Kenneth Mavrogeorge of Tighe & Bond was also present on behalf of Waterstone.

Specifically, Waterstone requested that the Council consider three options: (1) forgo having an open space of any type and Waterstone would construct a retail building in the space originally planned to be open passive greenspace, (2) proceed with the open passive greenspace as depicted in the project site plan approved by the Planning Board or (3) support the creation of an active recreational park. Waterstone is seeking City support of option #3 and asked the Council to consider expending \$610,000 to construct the facility offering that Waterstone would assume the management and costs of long term operation of the facility. City Manager Fitzpatrick informed Waterstone & the Council that in order for the City to fund the construction of the facility, the City would have to take ownership of the land and the facility, however, a long term contract could be arranged between Waterstone and the City relegating operation and maintenance responsibilities to Waterstone. Deputy Mayor Varney indicated his reluctance to support expenditure of City funds for the construction of the active recreational facility. Councilor Gray indicated that he did not feel that this would be the highest priority use of City funds at this time. Mayor McCarley directed that this issue be referred to a City Council Workshop in the near future in order that the full Council would be able to discuss the issue.

4.2 Retired Fire Engine 7: Bids

Deputy City Manager Cox informed the Committee that the retired Fire Engine 7 had been placed up for sale through a sealed bid process with a minimum bid requirement of \$12,000. However, only one bid of \$5,001 had been received. Mr. Cox went on to inform that subsequent to the formal bid process, two additional bids had been received – Paul LaClair offered \$5,100 and the Town of Acton, Maine offered \$8,000. **Deputy Mayor Varney moved to recommend to the full City Council that the retired Engine 7 be sold for \$8,000 to Acton, Maine.**

Councilor Gray seconded the motion which was then adopted by the Committee.

4.3 HUD Housing Police Officer Request & Middle School SRO Position

Police Chief Allen reviewed with the Committee the request from the Rochester Housing Authority for an additional part time Housing Police Officer for 10 hours per week as well as the opportunity to fill the Middle School Resource Officer open position with a retiring sergeant.

4.4 Denali-Kodiak-Salmon Falls-Milton Road: Sewer Connection Fee Analysis

This item was referred to the Finance Committee from the Public Works Committee. Public Works Director Storer and the resident at 25 Denali Drive Mark Sullivan outlined for the Committee the aspects of this issue as the following:

- a. The City's past practice with regard to residential sewer connections is to assess the actual costs to the resident for the sections starting from the sewer mains and lying within the City's right-of-way as well as the sections on the resident's private property. However, the City allowed the resident to pay for these expenses over a 5-year repayment schedule at 0% interest.
- b. The case made by some regarding the project now occurring on Salmon Falls Road, Milton Road, and the Denali – Kodiak neighborhoods is that these areas are more rural than typical sewer serviced areas and as a result the lot sizes and resulting sewer line runs are greater. These longer sewer line runs will result in higher than typical connection costs to the affected residents.
- c. The recommendation to be considered is to waive the costs to the resident for the section of sewer line from the main line to the edge of the City's right-of-way. The result would be the resident would be financially responsible only for the sewer lines installed on his/her private property. It was estimated that

this would be an approximate reduction for these homeowners an average of \$2,500-\$3,000 and it could involve 25-30 residences.

- d. There are approximately \$79,225 worth of existing sewer stubs in the City's rights-of-way around the City previously installed for future residential connections that the City contemplated being repaid for when/ if they were utilized in the future. These must be considered in any action now by the City to waive the right-of-way sewer line expenses for the current project.
- e. The planned Colonial Pines infrastructure extension project should also be considered in any action now to waive these sewer connection fees. There are possibly 254 connections in this area.
- f. The City under General Ordinance Chapter 16.3 (d) & (e) has been applying a "sale or fail" policy regarding mandatory connections to public sewer that may be in conflict with RSA 147:8 which requires connection if within 100 feet regardless whether there is a sale of the property or a failure of the septic system.

Mayor McCarley directed Mr. Storer to develop a policy recommendation and bring it back to the Council for consideration.

4.5 Water & Sewer Rates: Utility Advisory Board Recommendation

Councilor Willis as a member of the Utility Advisory Board (UAB) brought forth the UAB's recommended water and sewer rate adjustments as follows:

- a. Water rate to be increased by 10% in FY2017 and 9.8% in FY2018.
- b. Sewer rate to be increased by 4.49% in FY2017 and 7.63% in FY2018.

Deputy Mayor Varney moved to recommend to the full City Council that water rates be increased by 10% in FY2017 and Sewer rates be increased by 4.49% in FY2017. Councilor Lauterborn provided a second to the motion which was then adopted by the Committee.

4.6 Accounting Policy Manual

Deputy City Manager Cox stated that the Draft Accounting Policy Manual was developed in response to the Audit Management Letter for FY2015.

Councilor Lauterborn moved to recommend to the full City Council that the Draft Accounting Policy Manual be approved as drafted. The motion was seconded by Councilor Keans and the motion was adopted by the Committee.

4.7 141 Salmon Falls Road: City Owned Land Sale

Deputy City Manager Cox informed the Committee that the City recently tax deeded the parcel located at 141 Salmon Falls Road. The City Manager has determined that the City has no use for the property and that it is recommended the City sell the parcel through a sealed bid process. **Deputy Mayor Varney moved to recommend to the full City Council to direct the City Manager to offer the parcel located at 141 Salmon Falls Road up for sale through a sealed bidding process. Councilor Gray seconded the motion which was then adopted by the Committee.**

4.8 Annex Project: Staff Parking at former Ben Franklin Site

Deputy City Manager Cox informed the Council that during the Annex building construction project alternative parking was being considered at the former Ben Franklin site. The City Attorney O'Rourke had drafted a usage agreement and the property's owner had countered with his own usage agreement. City Manager Fitzpatrick indicated that to date, even with construction in progress at the Annex, parking has not posed a problem. The Committee took no action on this item.

5. Finance Director's Report

Deputy City Manager Cox reviewed two items from his written report to the committee. These were: (1) Chief Assessor Vincent's last day with the City will be Friday, September 16, 2016 and former Chief Assessor Tom Mullin would be

working for two weeks, September 19th through September 30, to assist the City Assessing Office and (2) the new Planning & Permitting software would be demonstrated at the City Council Workshop meeting on September 20, 2016.

6. Monthly Financial Statements

There was no discussion regarding the monthly financial statements.

7. Other

Deputy Mayor Varney shared that he had recently met with Public Works Director Storer and School Facilities Manager Bickford to discuss centralized or combined purchasing. It was also suggested that the City contact Frisbie Memorial Hospital to explore coordinated purchasing.

8. Non-Public

The Committee had no non-public business items.

9. Adjournment

Councilor Lauterborn moved to adjourn the meeting. Councilor Gray provided a second to the motion which was then adopted. The meeting adjourned at 8:47 PM.