

**Regular City Council Meeting
August 2, 2022
Council Chambers
7:00 PM**

COUNCILORS PRESENT

Councilor Beaudoin
Councilor Berlin
Councilor de Geofroy
Councilor Fontneau
Councilor Gilman
Councilor Gray
Councilor Hailey
Councilor Hamann
Councilor Larochelle
Councilor Malone
Deputy Mayor Lachapelle
Mayor Callaghan

OTHERS PRESENT

Blaine Cox, City Manager
Katie Ambrose, Deputy City Manager
Terence, O'Rourke, City Attorney
Mark Sullivan, Deputy Finance
Peter Nourse, Director of City Services
Michael Scala, Economic Development

COUNCILORS EXCUSED

Councilor Desrochers

MINUTES

1. Call to Order

Mayor Callaghan called the City Council Regular meeting to order at 7:00 PM.

2. Opening Prayer

Mayor Callaghan asked all present to observe a moment of silence.

3. Pledge of Allegiance

Councilor Beaudoin was asked to lead the Pledge of Allegiance.

4. Roll Call

Kelly Walters, City Clerk, took the roll call attendance. All Councilors were present, except for Councilor Desrochers who had been excused.

5. Acceptance of Minutes

5.1 City Council Special Meeting: June 21, 2022

Councilor Lachapelle **MOVED** to **ACCEPT** the Special City Council meeting minutes of June 21, 2022. Councilor Hamann seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

5.2 Regular City Council Meeting: July 5, 2022

Councilor Lachapelle **MOVED** to **ACCEPT** the minutes of the July 5, 2022, Regular City Council Meeting. Councilor Hamann seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

5.3 City Council Special Meeting: July 19, 2022

Councilor Lachapelle **MOVED** to **ACCEPT** the minutes of the July 19, 2022, Special City Council meeting. Councilor Hamann seconded the motion. Councilor Hailey wished to have the spelling of her name corrected on page 5 of the minutes. The **MOTION CARRIED** by a unanimous voice vote.

6. Communications from the City Manager

City Manager Cox had no other communication other than what is listed in the report below.

6.1 City Manager's Report

City Manager Cox stated that there are no changes to his written report, which is in the packet as follows:

Contracts and documents executed since last month:

- **Department of Public Works**
 - Scope of Services, Water Pollution/Flood Reduction Study – Geosyntec
 - Project Agreement Betts/Cross Intersection – Northeast Earth Mechanics LLC
 - Scope of Services, Columbus Ave Intersection – Sebago Technics
 - Engineering Agreement, Sewer System Master Plan Phase 3 – Weston & Sampson
 - Change Order, new DPW – Hutter Construction
 - Scope of Service, NPDES MS4 permitting assistance –

Geosyntec

- Estimate, Salmon Falls Rd stormwater/ drainage – S.U.R.
- UGS annual joint funding agreement
- Task Order, Berry River Stream gaging system – Wright Pierce
- Certificate of final completion, River St Pump Station – Apex Construction
- Wetland Monitoring Agreement – GZA Environmental Services
- Scope of Services/Contract, bio solids facility – Apex Construction
- Task Order, Granite Ridge Phase II – Hoyle Tanner
- Letter of Intent & Exclusivity agreement, Community center Solar – Revision Energy, Inc.

- **Finance**

- Contribution Assurance Program, Worker's Compensation – Primex
- Statement of Work, GIS property cards – Vision Government Solutions

- **IT**

- Printer/Copier Contract – Canon Solutions America

- **Recreation and Arena**

- Performance contract – Whiskey Bent & the Hell Hounds

Standard Reports

- **Personnel Action Report Summary**

7. Communications from the Mayor

Mayor Callaghan said he read a proclamation in honor of National Night Out at the event earlier this evening.

Mayor Callaghan informed the City Council that after discussions with the Deputy Mayor and the leadership team regarding the recent public hearings, it has been decided to make a change to the process as follows:

Public Hearing Process:

- Step 1: Department Head shall give a detailed explanation of the resolution/topic
- Step 2: Open for Public Input

Step 3: Department Head shall follow up to answer questions

Councilor Hainey asked if City Councilors should email Mayor Callaghan directly if they have suggestions to this process. Mayor Callaghan replied yes.

8. Presentation of Petitions and Council Correspondence

No discussion.

9. Nominations, Appointments, Resignations, and Elections

9.1. Appointment: Fire Chief Dennis Dube - Emergency Management Director

Mayor Callaghan **NOMINATED** Fire Chief Dennis Dube as the Emergency Management Director. Councilor Lachapelle seconded the nomination. Councilor Lachapelle **MOVED** to cease nomination and cast one ballot for Mr. Dube. The **MOTION CARRIED** by a unanimous voice vote.

10. Reports of Committees

10.1 Codes & Ordinances Committee

Councilor Lachapelle said all the action items from the last meeting are actually on this Agenda under Old Business.

10.2 Community Development Committee

Councilor Hainey said the Committee met on July 18, 2022, and the minutes can be found in the City Council packet. Councilor Hainey reported that the Committee discussed topics such as the homeless center, request for solar lighting, and Community Partners.

Councilor Hainey said the City has hired a new staff person (Kiersten Wright) as the new Community Development Coordinator. Councilor Hainey said Ms. Wright would be attending the next Community Development meeting in August.

10.3 Finance Committee

10.3.1 Committee Recommendation: To Approve the Non-Union Merit Track Compensation Plan.

Councilor Lachapelle **Moved** to **APPROVE** the Non-Union Merit Track Compensation Plan. Councilor Hamann seconded the motion. The **MOTION CARRIED** by a unanimous roll call vote. Councilors de Geofroy, Beaudoin, Hamann, Lachapelle, Malone, Berlin, Hainey, Laroche, Gray, Gilman, Fontneau, and Mayor Callaghan voted in favor of the motion.

10.4 Planning Board

Councilor Hamann said the Planning Board has started discussions relative to the proposed Solar Panel Ordinance. He said the Planning Board has approved one of the Solar Panel projects (local day care) and a second request is being considered.

Councilor Lachapelle said the Planning Board meeting minutes have Councilor Walker listed correctly as present; however, he is also listed as absent. He requested to have the meeting minutes corrected.

10.5 Public Works

**10.5.1 Committee Recommendation: To approve the Evans Road Paving Project to be added to the FY24 Capital Improvement Budget for consideration with other capital projects
*consideration for approval***

Councilor Hamann said a discussion took place about Evans Road. He said residents of that area have petitioned the City to resolve the issues with this old dirt road, which is located off from Meaderboro Road.

Councilor Hamann said the Committee recommendation is to add this project (paving of Evans Road) to the list of CIP projects for FY 24.

Mayor Callaghan asked about the other options. Councilor Hamann listed the other options. The first option is to leave Evans Road as a dirt road but to add crushed gravel and to correct some of the drainage issues (Estimated cost is a little over \$300,000). The second option is to completely pave Evans Road (\$470,00). Lastly, another option involved leaving the road as dirt as well; however, it was

determined that by leaving the road as dirt, it could be more costly over time dealing with dust. Councilor Hamann confirmed that a majority of the residence attending the meeting supported the option of completely paving the road.

City Manager Cox wished to clarify that the Committee recommendation is not to approve one of the options, but only to place the "project" on the list of projects for consideration along with all other CIP Projects being considered for FY 24.

Councilor Gray, Vice Chair of the Public Works Committee, suggested that instead of the re-paving, the Public Works staff look at the areas of Evans Road that are most troublesome during the "mud" season, which is harsh on certain portions of the road. He recommended that City staff take corrective action on those affected parts of the road to accomplish a greater savings as compared to paving the entire road.

Councilor Lachapelle **MOVED** to **APPROVE** the Committee Recommendation to add the Evans Road Project to the list of FY 24 CIP Budget Projects to be considered with other Capital Projects for FY 24. Councilor Malone seconded the motion. Councilor Beaudoin said some of the lesser expensive options discussed actually have the potential to cause future problems with dust, which could potentially cause re-occurring costs. He commended Mr. Nourse for presenting thorough estimates for each option, which also included the pros/cons of each option. The **MOTION CARRIED** by a majority voice vote.

10.5.2 Committee Recommendation: Discussion of Katie Lane bid waiver versus contracted services bid use *refer to Finance Committee*

Councilor Hamman summarized the issues with drainage on Katie Lane. Councilor Lachapelle **MOVED** to refer the matter to the Finance Committee. Councilor Malone seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

11. Old Business

11.1 Amendment to the General Ordinances of the City of Rochester Creating Chapter 260A Regarding Water Development Connection Fee *second reading and consideration for adoption*

Mayor Callaghan read the resolution for a second time by title only as follows:

Amendment to the General Ordinances of the City of Rochester
Creating Chapter 260A Regarding
Water Development Connection Fees

THE CITY OF ROCHESTER ORDAINS:

That the General Ordinances of the City of Rochester and currently before the Rochester City Council, be amended to include the following in its entirety:

Chapter 260A
Water Development Connection Fee

§260A-1 Authority.

The City of Rochester is authorized pursuant to RSA 38:28 and RSA 38:37 to assess a Water Development Connection Fee on new connections and development to help meet the additional water system demands created by the new development including capital construction and improvement of the City's water system. Said fees are assessed on a capacity-buy in approach as set forth in §260-54 below.

§260A-2 Definitions.

This Chapter incorporates by reference the Definitions found in the City of Rochester Water Ordinance, Chapter 260, §260-2, as amended.

§260A-3 Purpose.

These regulations shall govern the assessment of connection fees upon new connections and development to the City's Public Water System to generate capital funds to maintain, improve and expand the water system to minimize the effect on existing customers in a fair and equitable manner.

§260A-4 Water Development Connection Fee

The water development connection fee or assessment imposed pursuant to these provision upon new connections and development, including subdivisions, building construction and other land use changes, are based on a capacity-buy in approach, where new users are required to invest in the equity of the City's Public Water System at a rate that

reflects prior investment of existing users per unit of total capacity to raise funds to meet the demands and impacts created by the new connections and development to the City's water treatment and distribution facilities, inclusive of the system defined herein as the Public Water System.

§260A-5 Calculation of Fees

The water development connection fee is calculated as a per gallon per day charge by dividing the net equity in user paid capital assets by the capacity of the respective water system in gallons per day. The portion of the water system capacity assigned to any new user is determined based on New Hampshire Water Usage Unit Design Standards, as contained in Table 1008-1 in Env-Wq 1000 of the New Hampshire Code of Administrative Rules. The Code of Administrative Rules can be found at:

<https://www.des.nh.gov/sites/g/files/ehbemt341/files/documents/2020-01/Env-Wq%201000.pdf>

§260A-6 Assessment and Collection of Fees

The water development connection fee will be assessed by the Department at the time of application for new connections pursuant to Article I, §260-4. The fees shall be collected at the time of application for connection in accordance with §260-4 above; however, the Department and applicant may establish an alternate, mutually acceptable schedule of payment of water development connection fees. If an alternate schedule for payment of fees is established, the Department may require the applicant to post surety, in the form of a cash bond, letter of credit or performance bond to guaranty future payment of the assessed impact fees. The Department and City reserve the right to annual review and amend the water development connection fees as necessary.

§260A-7 Waivers

A. An applicant may request a full or partial waiver of the water development connection fee assessments imposed by this ordinance from the Department. The amount of any such waiver shall not exceed the value of the land, facilities construction, or other contributions to be made by that person toward public capital facilities in lieu of a water development connection fee. The applicant must exclude from a waiver any value of on-site and off-site improvements that are required by the Department or City as a result of a plan or development approval, which the applicant would complete regardless of the water development

connection fee under this ordinance. The value of contributions or improvements proposed by the applicant shall be credited only towards facilities of like kind. All costs incurred by the Department for the review of a proposed waiver, including reasonable consultant and counsel fees, shall be paid by the applicant requesting a waiver.

B. An applicant may apply to the Department for a waiver of a portion or the full amount of the water development connection fee, where such waiver application is accompanied by an independent fee calculation study that documents the proportionate capital cost impacts of the new connection or development. The Department shall review any such study, and in its discretion, decide whether a waiver is granted or denied. All costs incurred by the Department for review of any such study shall be paid by the applicant.

§260A-8 Administration of Water Development Connection Fees

A. All funds collected shall be properly identified and promptly transferred for deposit into an individual capital facilities connection fee account for the water facilities for which fees are assessed and shall be used solely for the purposes specified in this ordinance. The water development connection fee account shall be a capital reserve fund account and the City shall not accrue these fee revenues to the general fund.

B. Payment, administration, collection, custody and records for the water development connection fee account shall be done by the Finance Department upon the direction of the City Manager.

C. The Department shall make a report to the City Council at the end of the fiscal year providing an account of all public water system facilities funded through impact fees during the prior year.

E. Funds withdrawn from the water development connection fee account shall be used solely for the purpose of acquiring, constructing, expanding or equipping those public water system facilities identified in this ordinance.

§ 260A-9 Appeals.

Any party aggrieved by any decision, regulation or provision under this Article, as amended, from time to time, shall have the right to appeal said decision to the Department which shall issue a decision within 30 calendar days of the appeal. If said appeal is denied by the Department,

then the aggrieved party shall have the right to appeal to the Utility Advisory Board and then to the City Manager.

§ 260A-10 Additional rules and regulations; amendments.

The City reserves the right to adopt, from time to time, additional rules and regulations as it shall deem necessary and proper relating to this Article, which additional rules and regulations, to the extent appropriate, shall be a part of this Article.

§ 260A-11 When effective

This Article shall be in full force and effect immediately following its passage, as provided by law.

Councilor Lachapelle **MOVED** to **ADOPT** the Amendment. Councilor Hamann seconded the motion.

Councilor Lachapelle reported that this proposed Amendment was recommended by the Codes and Ordinances Committee by a vote of 5 in favor and 1 against.

Councilor Beaudoin said he has received push-back from constituents over the adoption of this amendment. He recommended that the entire Water Ordinance (Chapter 260) be re-written to incorporate the Water Development Connection Fees. He said the way in which it is currently written¹ is going to cause confusion.

Councilor Beaudoin stated that under the "authority" section there is a reference to RSA 38:37, which is not correct. *City Attorney O'Rourke later determined that RSA 38:37 is, in fact, incorrect and that the correct RSA is 38:27.*

Councilor Beaudoin referenced the section of the ordinances which establishes the Sewer Reserve Capacity Assessment Fee (new connections/new development). He recalled that during the Codes and Ordinances Committee meeting, it was "implied" that the reserve capacity fees would not be applied to a development in which the City initiated the water/sewer expansion (e.g. Colonial Pines). He questioned if these fees would be applied to a development such as Winkley Farm Lane or any other future "City initiated" water and sewer expansion projects. He said there are no exclusions detailed in this ordinance regarding City-initiated water and sewer expansion projects and spoke about the cost burden to be placed on these residents.

Councilor Beaudoin took issue with the wording regarding waivers in section 260-A-7, which indicates the waivers are granted by the

Department and not by the Utility Advisory Board (UAB). He felt that this meant the waivers are to be vetted through a private process instead of publicly through the UAB. He said the public should be aware of the justification if waivers are to be granted.

Councilor Beaudoin spoke about section 260-A-8, indicating that the Department can expend funds from this account for a number of reasons. He said the City Charter and the RSAs require that City Council must approve all expenditures with a report given to the City Council at the end of each year; however, he felt this process does not include any oversight prior to funds being expended.

Councilor Beaudoin estimated that it would cost approximately \$4,300 for the average 3-bedroom home to connect to the water and sewer systems. He added that the minimum connection fee is \$3,600, which would apply to every apartment unit in a development. He referenced an article in the paper indicating that the City of Rochester has approximately 545 new residential units coming to the City, which would equate to approximately \$1.9 million dollars in fees.

Councilor Beaudoin recommended re-referring the entire amendment to the Finance Committee or the Codes and Ordinance Committee to start a complete re-write of the ordinance, as well as the formation of an Ad-Hoc Committee to review both the sewer and water ordinance in more detail.

Peter Nourse, Director of City Services, spoke about the existing sewer reserve capacity assessment fees, which have been in place for many years. He explained that it has not been the practice of the City to apply those fees to any City-initiated utility expansion projects. It has also not been applied to single-family homes unless they are part of a sub-division. Director Nourse explained that when a new development comes into the City with plans for single-family homes connecting to the water and sewer system, they place a demand on a limited resource paid for by ratepayers. However, the proposed ordinance would set up a nominal fee that the developer would pay in order to buy-into the system.

Mr. Nourse said the Finance Department has proposed a fair calculated fee and explained the ratio on which this calculation is based.

Councilor Beaudoin reiterated how he calculated the cost and asked if there are circumstances within the ordinance where an exclusion or waiver could be granted. Mr. Sullivan clarified that the article in the newspaper regarding 545 new residential units is

referencing all projects approved by the Planning Board, including those not yet developed. He gave further detail about the different flow rates of apartments versus single-family homes and explained that on homes, the fee is assessed and must be paid prior to being granted a Certificate of Occupancy. He said that fee is calculated into the sale price of the home.

Mr. Sullivan addressed Councilor Beaudoin's concern about funds being spent with no oversight. Mr. Sullivan said any expenditure out of any city fund must be approved by the City Council. He gave an example of a proposed sewer project for \$500,000. In this circumstance, the Department must bring forth a proposal to the City Council for a supplemental appropriation. The only difference will be that the Department will identify the "system development fees" account as the funding source.

Councilor Fontneau stated that he supported the ordinance in theory, but has concerns. He clarified that the article in the paper was misleading when it says 545 residential units will be developed in the City soon. He said this number includes all projects approved, but not developed, and that number includes projects on the books from over 30 years ago. He added that some of the approved single-family homes have not yet cleared a lot. He further explained how the sale price of land and connection fees being calculated into the sale of the home would help protect the current ratepayers.

Councilor Fontneau stated his concerns about Mr. Nourse's use of the terminology "by practice". He wished to clarify what is meant when it is stated that these fees have not been charged by practice. He said this is an ordinance and it becomes law. He stated that he read through the waiver process and still does not find it clear how these waivers actually work.

Katie Ambrose, Deputy City Manager, and Mr. Sullivan gave a detailed PowerPoint presentation, which included charts as follows: Water-New Service Connection History from FY 11 through FY 22 and the Sewer-New Service Connection & Deduct Meter History Chart from FY 11 through FY 22.

Mr. Sullivan said the verbiage for the waivers was presented to the Finance Department from a law firm. He gave reasons why the language is a bit wordy and added that the UAB is still set up to handle any appeals that may come forward if a waiver is denied.

Councilor Hainey expressed reservations about the Planning Board discontinuing the assessment of impact fees. Mr. Sullivan clarified that the system connection fees are not the same as the Impact Fees Council Hainey referenced.

Councilor Hainey wished to confirm that these fees only apply to connections for new development. She questioned why the term “past practice” is being used relative to charging fees established in the ordinance. She said that her understanding is that these fees would not be charged for a new single-family home. She said the language drafted regarding waivers should be clear for future years/staff to follow. Mr. Sullivan explained why the waiver language is complex, although it has been drafted and included with this proposed ordinance amendment.

Mr. Sullivan gave examples of different types of waivers. Councilor Hainey asked for a list of apparatus that could be considered for an equipment-based waiver. Mr. Sullivan agreed that City staff could provide a list with more detailed examples.

Mr. Nourse said there are two parts to the waiver section. He summarized the first section (260A-7-A) as follows: “the developer cannot negate the cost of the development through a greater than, or equal “fee” waiver, nor can they use fee waivers to negate the cost of contributions. He said additionally, the developer cannot negate the fees for on-site or off-site improvements. He read other portions of the waiver structure, which offers some flexibility.

Mr. Nourse explained that the second part of the waiver section (260A-7-B) outlines the use of a list from the Administrative Code of NHDES to calculate the average daily use of various types of facilities. He acknowledged that the list is old and sometimes an engineer analyst is needed to calculate the demand on services (water/wastewater). This also offers some flexibility in calculating such services.

Councilor Berlin agreed with Councilor Fontneau that he was in favor of this amendment in theory. However, he stated there is ambiguous language that needs to be cleaned-up before he could vote in favor of implementing this Amendment to the Ordinances. Secondly, he pointed out that there is an error with the following index number: 260-5-4. He assumed the correct index number would be 260A-4.

Councilor Beaudoin spoke about the last Codes and Ordinances set of minutes and asked specifically about the charts contained therein used to determine the water/sewer system development fees. Mr. Sullivan said the sample chart uses a 3-bedroom structure. He clarified

that the system fees are determined by the number of bedrooms in the home with a 150-gallon per bedroom per day calculation.

Councilor Beaudoin pointed out that there is no type of reporting mechanism relative to how many waivers are granted or denied by the Department of Public Works, *to whom they are granted/denied, and for what reasons*. Mr. Sullivan said there is no requirement built into this Amendment for the Director of City Services to itemize or report waivers to the City Council; however, it might be incorporated as part of the Monthly DPW Reporting submitted by the Department.

Councilor Beaudoin expressed concern that the ordinance, as currently written, would only allow the public to be aware of waiver appeals through the Utility Advisory Board following denials; however, the granting of any waivers would not be in a public forum.

Councilor Beaudoin spoke about the chart of new water/sewer system connections and questioned if the Chinburg project would be listed as one connection or 52 separate connections. Mr. Sullivan explained that the data is collected directly from the Utility Billing Office, and they would need to drill down into the data to determine if the Chinburg properties would be considered one connection or 52 separate connections. He said the estimate would still be based upon the per-bedroom calculation.

Councilor Beaudoin shared information based on his calculation of a new 200-seat restaurant development, which would equate to approximately \$71,400 in fees. Mr. Sullivan corrected the estimate to be approximately \$50,000 to \$60,000 that the developer would pay, as their contribution to the impact they would be making to the water/sewer system.

Councilor Hainey reiterated that the intent is to charge water/sewer system connection fees only for new development, subdivisions, and single-family homes. Mr. Sullivan clarified that this ordinance is designed to charge water/sewer system connection fees for any new development, whether it is commercial, residential, or otherwise.

Mr. Sullivan said the part of the proposed ordinance that needs to be cleared-up is regarding City-initiated water/sewer expansion projects such as Colonial Pines and Winkley Farm Lane. There should be language included stating that those types of scenarios would be excluded from paying the reserve capacity assessment fee. Councilor Hainey agreed that the language needs to be updated accordingly.

Councilor Fontneau agreed that language must be established relative to City-initiated projects; however, he gave another similar scenario that might not be a City-initiated project, but creates a similar situation. If a new development is constructed next door to an existing homeowner, resulting in the water/sewer lines becoming available 100 feet from the existing homeowner's home, would the existing homeowner be required to pay the fee to connect to the system. He said the language must clarify all scenarios not being charged this reserve capacity assessment fee.

Council briefly discussed sending the Amendment back to Committee. Councilor Lachapelle **WITHDREW** his motion to **ADOPT**. Councilor Hamann **WITHDREW** his second to the motion.

Councilor Fontneau **MOVED** to place this item on the agenda for a discussion at the August Workshop. Councilor Berlin seconded the motion. The **MOTION CARRIED** by a majority voice vote.

Mayor Callaghan said if there were no objections, he would revise the agenda to take a vote on 13.2 as follows:

Approving Contract and Cost Items Associated with Proposed City of Rochester School Department Multi-Year Collective Bargaining Agreement with Rochester Federation of Teacher's Food Service Chapter, Local 3607 Bargaining Unit *first reading and consideration for adoption*

Mayor Callaghan read the resolution as follows:

Resolution Approving Contract And Cost Items Associated with Proposed City of Rochester School Department Multi-Year Collective Bargaining Agreement with Rochester Federation of Teachers Food Service Chapter Local 3607

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF ROCHESTER, AS FOLLOWS:

That pursuant to, and in accordance with, the provision of Chapter 273-A of the New Hampshire Revised Statutes Annotated, the multi-year year collective bargaining agreement between the City of Rochester and the Rochester Federation of Teachers Food Service employee collective bargaining group, covering the period July 1, 2022 to June 30, 2025, as set forth in the proposed contract, a copy of which proposed contract has been made available to the Mayor and City Council, and with its financial

impacts as more particularly detailed on the attached "**EXHIBIT A: RFT Food Service Tentative Agreement**" dated June 20, 2022, which includes a summary financial analysis of the annual cost of the contract to the City provided by the Superintendent of Schools, is hereby approved, including, specifically, the cost items associated therewith.

Councilor Lachapelle **MOVED** to **ADOPT** the Resolution. Councilor Fontneau seconded the motion. The **MOTION CARRIED** by a unanimous roll call vote. Councilors Larochelle, Gilman, Berlin, Beaudoin, de Geofroy, Fontneau, Hamann, Lachapelle, Malone, Gray, Hailey, and Mayor Callaghan.

11.2 Resolution to Chapter 260-33 'Water Rate and Fee Schedule' *second reading and consideration for adoption*

Mayor Callaghan read the resolution for a second time by title only as follows:

§ 260-33. Water Rate and Fee Schedule. [Amended 6-26-2007; 6-10-2008; 6-16-2009; 7-5-2011; 11-20-2012; 2-4-2014; 9-15-2015]

A. Quarterly water rates. **[Amended 11-1-2016; 2-6-2018; 5-5-2020]**

- (1) Residential customers without exemption: five dollars and eighty-three cents (\$5.83) per 100 cubic feet of water use.
- (2) Residential customers with exemption: two dollars and fifty-two cents (\$2.52).
- (3) Commercial and industrial customers: five dollars and eighty-three cents (\$5.83).
- (4) Unmetered residential customers:
 - (a) Per quarter per unit without exemption: one hundred fifty-five dollars and ninety-six cents (\$155.96).
 - (b) Per quarter per unit with exemption: seventy-seven dollars and **ninety-** six cents (\$77.96).
- (5) Minimum fee:
 - (a) Per quarter per unit without exemption: twenty-two dollars and fourteen cents (\$22.14).

- (b) Per quarter per unit with exemption: seventeen dollars and seventy-six cents (\$17.76).

B. Fees.

- (1) Installation: a minimum of three hundred dollars (\$300.) or estimated cost of installation, in advance one hundred dollars (\$100.).
- (2) Installation and repair license: one hundred dollars (\$100.) per year.
- (3) Bad check: twenty-five dollars (\$25.) plus all associated fees.
- (4) Service reactivated following payment when shut off due to nonpayment: sixty dollars (\$60.).
- (5) Service shutoff or turn on by request: thirty dollars (\$30.).
- (6) Temporary service: see installation fees; water charges will be billed accordingly.
- (7) Private fire protection service: see installation fees.
- (8) Private fire hydrant service connection: one hundred fifty dollars (\$150.) per hydrant per fiscal year. For purposes of this subsection, a private fire hydrant shall mean any fire hydrant located outside the public right-of-way and/or located on property other than that owned by the City of Rochester, but which is connected to the public water system. Any private hydrant located behind a water meter on that property shall be exempt from this charge.
- (9) Swimming pools: fees based on volume used times unit rate.
- (10) Meter repair or testing: thirty dollars (\$30.) per visit plus cost of transportation of meter to testing facility and cost of testing.
- (11) Meter damage: fifty dollars (\$50.).
- (12) Backflow prevention devices: all costs associated with installation, repair, or inspection paid by owner. Inspection costs shall be not less than minimum service charge.
- (13) Violations: all costs to correct violation paid by owner.

- (14) Minimum service charge: thirty dollars (\$30.) per visit.
- (15) Meter tampering charge: a reconnection fee of not less than one hundred dollars (\$100.) nor more than five hundred dollars (\$500)
- (16) Minimum charge for road maintenance between December 1 and March 31: two hundred dollars (\$200.)
- (17) System Development Fees: Three Dollars and Seventeen Cents (\$3.17)

Councilor Lachapelle **MOVED** to **ADOPT** the Amendment. Councilor Fontneau seconded the motion.

Councilor Beaudoin clarified that this Amendment only contains one change, which is an increase to the water system development fees. Deputy City Manager Ambrose agreed that since the adoption of 260A Regarding Water Development Connection Fee has been postponed, then this amendment should also be postponed.

Councilor Lachapelle **WITHDREW** his motion to **ADOPT**, and Councilor Fontneau **WITHDREW** his second to the motion.

Councilor Lachapelle directed the City Clerk to correct a minor spelling error in the ordinance. He said the word ninety is misspelled in section 260-33-A-1-4-b.

11.3 Resolution to Chapter 200 of the General Ordinances of the City of Rochester Regarding Sewer Development Connection Fee *second reading and consideration for adoption*

Mayor Callaghan read the resolution for a second time by title only as follows:

Chapter to Chapter 200 of the General Ordinances of the City of Rochester Regarding Sewer Development Connection Fee

THE CITY OF ROCHESTER ORDAINS:

That Chapter 200 of the General Ordinances of the City of Rochester and currently before the Rochester City Council, be amended to add the following in its entirety:

Chapter 200-7-T

Sewer Development Connection Fee

§200-7-T-1 Authority.

The City of Rochester is authorized pursuant to RSA 31:139 and RSA 149-I:7 to assess a Sewer Development Connection Fee on new connections and development to help meet the additional Sewer system demands created by the new development including capital construction and improvement of the City's Sewer system. Said fees are assessed on a capacity-buy in approach as set forth in §200-7-T-4 below.

§200-7-T-2 Definitions.

This Chapter incorporates by reference the Definitions found in the City of Rochester Sewer Ordinance, Chapter §200, as amended.

§200-7-T-3 Purpose.

These regulations shall govern the assessment of connection fees upon new connections and development to the City's Public Sewer System to generate capital funds to maintain, improve and expand the Sewer system to minimize the effect on existing customers in a fair and equitable manner.

§200-7-T-4 Sewer Development Connection Fee

The Sewer development connection fee or assessment imposed pursuant to these provision upon new connections and development, including subdivisions, building construction and other land use changes, are based on a capacity-buy in approach, where new users are required to invest in the equity of the City's Public Sewer System at a rate that reflects prior investment of existing users per unit of total capacity to raise funds to meet the demands and impacts created by the new connections and development to the City's Sewer treatment and distribution facilities, inclusive of the system defined herein as the Public Sewer System.

§200-7-T-5 Calculation of Fees

The Sewer development connection fee is calculated as a per gallon per day charge by dividing the net equity in user paid capital assets by the capacity of the respective Sewer system in gallons per day. The portion of the Sewer system capacity assigned to any new user is determined

based on New Hampshire Sewer Usage Unit Design Standards, as contained in Table 1008.01 in Env-Wq 1008.3 of the New Hampshire Code of Administrative Rules. The Code of Administrative Rules can be found at:

<https://www.des.nh.gov/sites/g/files/ehbemt341/files/documents/2020-01/Env-Wq%201000.pdf>

§200-7-T-6 Assessment and Collection of Fees

The Sewer development connection fee will be assessed by the Department at the time of application for new connections pursuant to Article I, §200-7-T-4. The fees shall be collected at the time of application for connection in accordance with §200-7-T-4 above; however, the Department and applicant may establish an alternate, mutually acceptable schedule of payment of Sewer development connection fees. If an alternate schedule for payment of fees is established, the Department may require the applicant to post surety, in the form of a cash bond, letter of credit or performance bond to guaranty future payment of the assessed impact fees. The Department and City reserve the right to annual review and amend the Sewer development connection fees as necessary.

§200-7-T-7 Waivers

A. An applicant may request a full or partial waiver of the Sewer development connection fee assessments imposed by this ordinance from the Department. The amount of any such waiver shall not exceed the value of the land, facilities construction, or other contributions to be made by that person toward public capital facilities in lieu of a Sewer development connection fee. The applicant must exclude from a waiver any value of on-site and off-site improvements that are required by the Department or City as a result of a plan or development approval, which the applicant would complete regardless of the Sewer development connection fee under this ordinance. The value of contributions or improvements proposed by the applicant shall be credited only towards facilities of like kind. All costs incurred by the Department for the review of a proposed waiver, including reasonable consultant and counsel fees, shall be paid by the applicant requesting a waiver.

B. An applicant may apply to the Department for a waiver of a portion or the full amount of the Sewer development connection fee, where such waiver application is accompanied by an independent fee calculation study that documents the proportionate capital cost impacts of the new connection or development. The Department shall review any such study, and in its discretion, decide whether a waiver is granted or

denied. All costs incurred by the Department for review of any such study shall be paid by the applicant.

§200-7-T-8 Administration of Sewer Development Connection Fees

A. All funds collected shall be properly identified and promptly transferred for deposit into an individual capital facilities connection fee account for the Sewer facilities for which fees are assessed and shall be used solely for the purposes specified in this ordinance. The Sewer development connection fee account shall be a capital reserve fund account and the City shall not accrue these fee revenues to the general fund.

B. Payment, administration, collection, custody and records for the Sewer development connection fee account shall be done by the Finance Department upon the direction of the City Manager.

C. The Department shall make a report to the City Council at the end of the fiscal year providing an account of all public Sewer system facilities funded through impact fees during the prior year.

E. Funds withdrawn from the Sewer development connection fee account shall be used solely for the purpose of acquiring, constructing, expanding or equipping those public Sewer system facilities identified in this ordinance.

§ 200-7-T-9 Appeals.

Any party aggrieved by any decision, regulation or provision under this Article, as amended, from time to time, shall have the right to appeal said decision to the Department which shall issue a decision within 30 calendar days of the appeal. If said appeal is denied by the Department, then the aggrieved party shall have the right to appeal to the Utility Advisory Board and then to the City Manager.

§ 200-7-T-10 Additional rules and regulations; amendments.

The City reserves the right to adopt, from time to time, additional rules and regulations as it shall deem necessary and proper relating to this Article, which additional rules and regulations, to the extent appropriate, shall be a part of this Article.

§ 200-7-T-11 When effective

This Article shall be in full force and effect immediately following its passage, as provided by law.

Councilor Fontneau **MOVED** to refer the matter to the August Workshop for discussion. Councilor Lachapelle seconded the motion. The **MOTION CARRIED** by a majority voice vote.

11.4 Resolution to Chapter 200-33 "Wastewater Rate and Fee Schedule" *second reading and consideration for adoption*

Mayor Callaghan read the Amendment for a second time by title only as follows:

§ 200-33. Wastewater Rate and Fee Schedule. [Amended 7-1-2000; 6-26-2007; 2-5-2008; 5-6-2008; 6-10-2008; 6-16-2009; 8-18-2009; 6-21-2011; 11-20-2012; 11-1-2016; 2-6-2018; 3-5-2019; 5-5-2020]

A. Quarterly wastewater rates.

- (1) Residential customers without exemption: seven dollars and forty-three cents (\$7.43) per 100 cubic feet of water use.
- (2) Residential customers with exemption: four dollars and ninety-four cents (\$4.94) per 100 cubic feet of water use.
- (3) Commercial and industrial customers: seven dollars and forty-three cents (\$7.43) per 100 cubic feet of water use.
- (4) High-volume customers (i.e., customers using more than 5,000 units** monthly): six dollars and sixty-eight cents (\$6.68) per 100 cubic feet of water use. **Note: For purposes of this section the word "unit" shall mean 100 cubic feet or 748 gallons of water use.
- (5) Unmetered residential customers:
 - (a) Per quarter per unit without exemption: two hundred twenty-nine dollars and forty- seven cents (\$229.47).
 - (b) Per quarter per unit with exemption: one hundred fourteen dollars and seventy-two cents (\$114.72).
- (6) Sewer metered customers: seven dollars and forty-three cents (\$7.43) per 100 cubic feet.

- (7) Minimum fee:
 - (a) Per quarter per unit without exemption: thirty-four dollars and thirty-one cents (\$34.31).
 - (b) Per quarter per unit with exemption: twenty-seven dollars and thirty-one cents (\$27.31).
- (B) Septage discharge: fifty-five dollars (\$55.) per 500 gallons or portion thereof.
- (C) RV septage discharge: sixteen dollars (\$16.) flat fee.
- (D) Graywater disposal: thirty dollars (\$30.) per 2,000 gallons or portion thereof.
- (E) TKN surcharge:
 - (1) Ceiling limit: 60 pounds per day TKN.
 - (2) Surcharge fee: one dollar and eighteen cents (\$1.18) per pound of TKN.
- (F) Fees.
 - (1) Permit and inspection fee: fifty dollars (\$50.).
 - (2) Wastewater discharge permit fee: fifty dollars (\$50.).
 - (3) Reserve capacity assessment: ~~two~~ four dollars and thirty three cents (\$~~2.~~\$4.33) per gallon.
 - (4) Installation fees. Installation by City: three hundred dollars (\$300.) minimum or estimated costs.

Councilor Lachapelle **MOVED** to refer the Amendment to the August Workshop for discussion. Councilor Fontneau seconded the motion. The **MOTION** to **CARRIED** by a unanimous voice vote.

11.5 Amendment to Ordinance Amendments Relative to Water User Rate/Sewer User Rate *second reading and consideration for adoption*

Mayor Callaghan read the Amendment(s) to both the Water User Rate and the Sewer User Rate for a second time by title only as follows:

**ORDINANCE AMENDMENT
RELATIVE TO WATER USER RATE**

THE CITY OF ROCHESTER ORDAINS:

- I. That Chapter 260, Section 33 of the General Ordinances of the City of Rochester, entitled "Water Rate and Fee Schedule", be amended by deleting the portion of said ordinance entitled "Quarterly Water Rates" and by replacing such portion of the ordinance with the following:

260-33 Water Rate and Fee Schedule

<u>Quarterly Water Rates</u>	\$6.41 per 100 cu. ft. of water use
Residential Customers without exemption:	
Residential Customers with exemption:	\$2.77
Commercial and industrial customers:	\$6.41

Unmetered Residential Customers: Per quarter per unit without exemption:	\$171.56
Per quarter per unit with exemption:	\$85.76

Minimum Fee:	
Per quarter per unit without exemption:	\$24.35
Per quarter per unit with exemption:	\$19.54

That this ordinance amendment shall take effect on August 1, 2022

**AMENDMENT RELATIVE
TO SEWER USER RATE**

THE CITY OF ROCHESTER ORDAINS:

I. That Chapter 200, Section 33 of the General Ordinances of the City of Rochester, entitled "Wastewater Rate and Fee Schedule", be amended by deleting the portion of said ordinance entitled "Quarterly Wastewater Rates" and by replacing such portion of the ordinance with the following:

200.33 Wastewater Rate and Fee ScheduleQuarterly Wastewater Rates

Residential Customers without exemption: \$8.17 per 100 cu. ft. of water use
 Residential Customers with exemption: \$5.43 per 100 cu. ft. of water use
 Commercial and industrial customers: \$8.17 per 100 cu. ft. of water use
 High Volume Customer \$7.36 per 100 cu. ft. of water use
 (I.e. customers using more than 5,000 units **monthly)

Unmetered Residential Customers:

Per quarter per unit without exemption: \$252.42

Per quarter per unit with exemption: \$126.19

Sewer-Metered Customers: \$8.17 per 100 cu. Ft.

Minimum Fee:

Per quarter per unit without exemption: \$37.74

Per quarter per unit with exemption: \$30.04

That this ordinance amendment shall take effect on August 1, 2022

Councilor Lachapelle **MOVED** to **ADOPT** the Amendment.
Councilor Hamann seconded the motion.

Councilor Beaudoin distributed information regarding the increase to the Water and Sewer Rates, including details about the funds deficit. He spoke against the 10% overall increase to the user rates. He supported an increase to the rates; however, he is seeking a reduced increase over a longer period of time. He apologized for not bringing this option up at the last Codes and Ordinances Committee meeting.

Councilor Beaudoin asserted that new residential units coming onto the system would provide immediate surplus revenue. He suggested that this proposed 10% increase be pushed out for another two years and to drop the rate of increase from 10% down to 5%. He said the data could be reviewed again in 4 years.

Mr. Sullivan clarified that there is a "cash" deficit to the user rates funds, which represents the cash flow to the operating budget. He said the only option to correct this is to seek cash from the General Fund. He explained that Water/Sewer Funds are supposed to be enterprise funds, which means they are to be self-supported. He spoke about the problems with the annual operating expenditures and the debt service cycles for these Funds.

Mr. Sullivan said the increase to rates has been postponed for two years now; by pushing it out for another two years would only deepen the negative position these funds face. He said the City Council must be aware that by not correcting the deficit now, it will push the cash flow issues on to the General Fund, which does not reflect well in the City's annual audit process. Mr. Sullivan said at some point, the auditors could determine that the City must restrict some of the Unassigned Fund Balance to support the deficit in the Water/Sewer Funds.

Councilor Hamann disagreed with delaying or decreasing the proposed increase to user rate fees. He said the City Council is only pushing the debt down the road and it would have an impact on future generation. He felt that it was time to follow through with this proposed increase to assist with getting operations moving in the right direction. Councilor Hamann pointed out that this 10% increase is the result of not implementing smaller increases on a regular basis.

Councilor Fontneau expressed indecision regarding whether or not to increase user rates. He understood that the rates had not been increased on a regular basis, as they should have been. It now seems that a 10% increase is not going to achieve correcting the deficit, but rather it will start to resolve the issue. He mentioned other cost which are expected to increase for homeowners such as fuel and electricity. He supported researching alternate options, if possible, to reduce the percentage of the increase this year and add incremental increases on an annual basis. Mr. Sullivan replied that the City Council must be aware that the General Fund is currently applying more cash to these enterprise funds than the funds are generating. He said the funds are not generating enough revenue to offset their own operating expenses. He explained the large amount of time and work already provided by the UAB members to come up with these recommendations. Mr. Sullivan said the only other option is to allow the enterprise funds to go into a negative balance; this would result in the auditors placing restrictions on the General Fund Unassigned Cash Fund. He added this could also affect the City's bond rating. He cautioned the City Council not to push the burden of the Water/Sewer fees onto the rest of the property taxpayers by using the City's General Fund.

Councilor Gilman spoke about the burden of a 10% increase and the impact it would have on folks living paycheck to paycheck.

Councilor Berlin speculated that if this is delayed again it could result in an even greater increase in future years. He the choice is to increase now or face a greater increase later.

Councilor Hamann recalled that the engineer study reflected that more staff will be mandated, which will cost even more money. He said if the City does not meet the Federal requirements, then, there will be fines to be paid.

Councilor Beaudoin asked how long the Water/Sewer Funds have been operating in a deficit. Mr. Sullivan gave details about the most recent deficit being caused by the delays in adjusting the rates. He

mentioned that the Sewer Rates were not increased over a five-year period. He gave a brief history of the increases.

Councilor Berlin reiterated the question about how long the enterprise funds has been operating in the "red". Mr. Sullivan said at least the last couple of years and forecasting to future years, where it looks like the funds would continue to operate in the red.

Mayor Callaghan called for a vote on the motion to increase both the Water and Sewer Rates. The **MOTION CARRIED** by a 9 to 3 roll call vote. Councilors Hainey, Malone, Fontneau, Larochelle, de Geofroy, Berlin, Hamann, Lachapelle, and Mayor Callaghan voted in favor of the motion. Councilors Gray, Gilman, and Beaudoin voted against the motion.

11.6 Amendment to Chapter 275 of the General Ordinances of the City of Rochester regarding Electric Vehicle Charging Stations *second reading and consideration for adoption*

Mayor Callaghan read the Amendment for a second time by title only as follows:

Amendment to Chapter 275 of the General Ordinances of the City of Rochester Electric Vehicle Charging Stations

THE CITY OF ROCHESTER ORDAINS:

That Chapter 275 of the General Ordinances of the City of Rochester and currently before the Rochester City Council, be amended as follows:

Definition: (a) An electric vehicle charging station shall mean a public or private parking space located together with a battery charging station, aka Electric vehicle supply equipment (EVSE) which permits the transfer of electric energy (by conductive or inductive means) to a battery or other storage device in an electric vehicle.

An electric vehicle charging station installed as an accessory to a new or existing single-family home or a unit within a duplex property and used for personal use and not as a means of income, is a permitted use in all zones and requires no site plan approval. *Only Level 1 and Level 2 electric vehicle supply equipment shall be permitted on residential properties.*

An electric vehicle charging station installed as accessory to a new or existing multi family home or a commercial property is permitted per the

use tables located at the end of the Zoning Chapter. Site Plan review is required. **All Level 1 and Level 2 and Level 3 electric vehicle supply equipment may be permitted on multifamily residential and commercial properties.**

Electric vehicle supply equipment, as defined in the National Electric Code, shall obtain any required building permits, electrical permits or other applicable permits prior to their location, construction, installation, or operation.

Changes to the Use table:

An electric vehicle charging station is proposed permitted in all residential zones as an accessory use only for personal use.

An electric vehicle charging station is proposed permitted in the DC, OC, GR, HC, GI, RI, HS, AS Zoning Districts. It is permitted by Conditional Use Permit in the Neighborhood Mixed Use Zoning District.

These Amendments shall take effect upon passage.

Councilor Lachapelle **MOVED** to **ADOPT** the Amendment. Councilor Malone seconded the motion.

Councilor Lachapelle **MOVED** to **AMEND** the Amendment as shown below, which includes the chapter numbers and titles. Councilor Hamann seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

Mayor Callaghan called for a vote on the motion as amended. The **MOTION CARRIED** by a unanimous voice vote. The amended version is shown below:

Amendment to Chapter 275 of the General Ordinances of the City of Rochester Electric Vehicle Charging Stations

THE CITY OF ROCHESTER ORDAINS:

That Chapter 275 of the General Ordinances of the City of Rochester and currently before the Rochester City Council, be amended as follows:

Addition to § 275-2.2 Definitions: An electric vehicle charging station shall mean a public or private parking space located together with a battery charging station, aka Electric vehicle supply equipment (EVSE) which permits the transfer of electric energy (by conductive or

inductive means) to a battery or other storage device in an electric vehicle.

Addition to § 275-20.2 Conditions for Particular Uses: D. Electric vehicle charging station. An electric vehicle charging station installed as an accessory to a new or existing single family home or a unit within a duplex property and used for personal use and not as a means of income, is a permitted use in all zones and requires no site plan approval. Only Level 1 and Level 2 electric vehicle supply equipment shall be permitted on residential properties.

An electric vehicle charging station installed as accessory to a new or existing multi family home or a commercial property is permitted per the use tables located at the end of the Zoning Chapter. Site Plan review is required. All Level 1 and Level 2 and Level 3 electric vehicle supply equipment may be permitted on multifamily residential and commercial properties.

Electric vehicle supply equipment, as defined in the National Electric Code, shall obtain any required building permits, electrical permits or other applicable permits prior to their location, construction, installation, or operation.

Changes to the Table of Uses Table 18-D Industrial-Storage-Transport-Utility Uses:

An electric vehicle charging station is proposed permitted in all residential zones as an accessory use only for personal use.

An electric vehicle charging station is proposed permitted in the DC, OC, GR, HC, GI, RI, HS, AS Zoning Districts. It is permitted by Conditional Use Permit in the Neighborhood Mixed Use Zoning District.

These Amendments shall take effect upon passage.

- 11.7 Authorizing Supplemental Appropriation to the FY 2023 Capital Improvement Plan (CIP) Project Fund in Connection with the Strafford Square Project in the Amount of \$3,000,000.00 and Borrowing Authority pursuant to RSA 33:9 *second reading and consideration for adoption***

Mayor Callaghan read the Amendment for a second time by title only as follows:

Resolution Authorizing Supplemental Appropriation to the FY 2023 Capital Improvement Plan (CIP) Project Fund in Connection with the Strafford Square Project in the Amount of \$3,000,000.00 and Borrowing Authority pursuant to RSA 33:9

BE IT RESOLVED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF ROCHESTER, AS FOLLOWS:

That the amount of Three Million Dollars (\$3,000,000.00) is hereby appropriated as a supplemental appropriation to the FY2023 CIP fund for the purpose of paying costs associated with the Strafford Square Project. Two Million One Hundred Thirty Two Thousand Five Hundred Seventeen and 90/100 Dollars (\$2,132,517.90) of the supplemental shall be derived from borrowing and Eight Hundred Sixty Seven Thousand Four Hundred Eighty Two and 10/100 Dollars (\$867,482.10) of the supplemental shall be derived from a Federal NHDOT Grant.

In accordance with the provisions of RSA 33:9 and in conjunction with this supplemental appropriation, the City Treasurer, with the approval of the City Manager, be, and hereby are authorized to borrow the sum of Two Million One Hundred Thirty Two Thousand Five Hundred Seventeen and 90/100 Dollars (\$2,132,517.90) through the issuance of bonds and/or notes, and/or through other legal form(s), such borrowing to be on such terms and conditions as the said Treasurer and City Manager may deem to be in the best interest of the City of Rochester. Such borrowing is authorized subject to compliance with the provisions of RSA 33:9 and Section 45 of the Rochester City Charter to the extent required, necessary and/or appropriate.

To the extent not otherwise provided for in this Resolution, the Finance Director is hereby authorized to designate and/or establish such accounts and/or account numbers as necessary to implement the transactions contemplated by this Resolution and to establish special revenue, non-lapsing, multi-year fund account(s) as necessary to which said sums shall be recorded.

Councilor Lachapelle **MOVED** to **ADOPT** the Resolution. Councilor Hamann seconded the motion.

Director Nourse gave a summary of the discussion that took place at the Public Works Committee on July 21, 2022.

Councilor Hamann asked how long the bids would be valid. Director Nourse said this bid is valid for 75 days, which is longer than some bids in the past. He confirmed that this bid is good through August 23, 2022.

Councilor Gray said this topic did come up prior to the budget adoption. He questioned if this project was inadvertently missed and, if not, why it was not discussed. City Manager Cox said these types of supplemental appropriation do not have tax cap implications because of the funding source (bonding/grant funds). It was not heavily discussed through the budget cycle for that reason. Director Nourse said he did not know the amount and it is difficult to predict until the bid opens up. He explained that he does update CIP projects on an annual basis; however, the increases in costs for materials has made that process much more difficult recently.

Councilor Beaudoin said Section 40 of the City Charter requires itemized estimates of expenditures for the upcoming fiscal year from each of the Department Heads. He said this supplemental appropriation was a known cost to the Department and it should have been included with the FY 23 Budget.

Councilor Fontneau said the public has not had a favorable perception to this request so soon after the budget adoption. He asked if the City Council could be certain that this would be the final request for funding for the Strafford Square Project. Director Nourse gave reasons why it will be his goal to make this the final request.

Councilor Fontneau requested that this process be reviewed. He felt the figure should have been included with the recently adopted budget because it is such a large increase over the original estimate.

Mayor Callaghan reiterated Councilor Fontneau's question and asked if this final supplemental appropriation would complete the funding for the Strafford Square Project. Director Nourse said this is Phase II of two phases.

Mayor Callaghan asked if the project should be completed by next summer. Director Nourse replied yes.

Director Nourse clarified that the biggest misconception with this supplemental appropriation is that it would be coming out of the City

General Fund, which is not the case. He said he could build a contingency into each of the CIP projects; however, there are never any guarantees that it will be a sufficient amount of funding because of the rising cost of materials. He explained that \$867,482 would be derived from the Department of Transportation Grant Fund and the remainder would be bonded (\$2,132,517.90)

The **MOTION CARRIED** by a roll call vote. Councilors, Berlin, Gray, Fontneau, Hamann, Hainey, Lachapelle, Larochelle, Beaudoin, Malone, Gilman, de Geofroy and Mayor Callaghan voted in favor of the motion.

12. Consent Calendar

No Discussion.

13. New Business

13.1 Wrestling Event *consideration to approve wrestling venue permit [Governor's Inn, August 28, 2022]*

Councilor Lachapelle **MOVED** to **APPROVE** the Wrestling Venue Permit [Governor's Inn, August 28, 2022] Councilor Fontneau seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

13.2 Resolution Approving Contract and Cost Items Associated with Proposed City of Rochester School Department Multi-Year Collective Bargaining Agreement with Rochester Federation of Teacher's Food Service Chapter, Local 3607 Bargaining Unit *first reading and consideration for adoption*

The agenda was adjusted by the Mayor and this resolution was adopted just prior to 11.2.

13.3 Amendment to ownership of Champlin Forest Conservation Land *motion to approve change in ownership interest*

Councilor Lachapelle **MOVED** to **APPROVE** the change in ownership of Champlin Forest Conservation Land. Councilor Fontneau seconded the

motion. The **MOTION CARRIED** by a unanimous voice vote.

13.4 Resolution for Supplemental Appropriation of \$1,000,000 to Department of Public Works (DPW) Sewer CIP Fund *first reading and consideration for adoption*

Mayor Callaghan read the resolution as follows:

Resolution for Supplemental Appropriation of \$1,000,000 to Department of Public Works (DPW) Sewer CIP Fund

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF ROCHESTER, AS FOLLOWS:

That the Mayor and City Council of the City of Rochester hereby accept and appropriate an amount not to exceed One Million Dollars (\$1,000,000.00) to the Sewer CIP Fund for the purpose of paying costs associated with the Great Bay Estuary Restoration Project through the Municipal Alliance for Adaptive Management (MAAM) and Intermunicipal Agreement with the Cities of Dover, Portsmouth, Newington, Exeter, Milton, Rollinsford and Rochester, NH, and further;

The City of Rochester, Department of Public Works in accordance with the provisions of the Intermunicipal Agreement shall act as the fiscal agent for the Municipal Alliance for Adaptive Management. The source of the funds for the supplemental appropriation shall be derived in its entirety from federal assistance as a Congressionally Identified Award.

To the extent not otherwise provided for in this Resolution, the Finance Director is hereby authorized to establish and/or designate such multi-year, non-lapsing accounts and or account numbers as are necessary to implement the transactions contemplated in this Resolution and to establish special revenue, non-lapsing, multi-year fund account(s) as necessary to which said sums shall be recorded.

Councilor Lachapelle **MOVED** to **ADOPT** the Resolution. Councilor Hamann seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

13.5 Resolution for Supplemental Appropriation of \$1,075.39 to Department of Public Works (DPW) Sewer CIP Fund *first reading and consideration for adoption*

Mayor Callaghan read the resolution as follows:

**Resolution for Supplemental Appropriation of \$1,075.39 to
Department of Public Works (DPW) Sewer CIP Fund**

**BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE
CITY OF ROCHESTER, AS FOLLOWS:**

That the Mayor and City Council of the City of Rochester hereby appropriates One Thousand Seventy-Five Dollars and Thirty-Nine Cents (\$1,075.39) to the Sewer CIP Fund for the purpose of paying costs associated with the NPDES permit through the Municipal Alliance for Adaptive Management (MAAM) and Intermunicipal Agreement with the Cities of Dover, Portsmouth, Newington, Exeter, Milton, Rollinsford and Rochester, NH, and further;

The City of Rochester, Department of Public Works in accordance with the provisions of the Intermunicipal Agreement shall act as the fiscal agent for the Municipal Alliance for Adaptive Management. The source of funds for the supplemental appropriation shall be derived in its entirety from the Town of Newington, NH.

To the extent not otherwise provided for in this Resolution, the Finance Director is hereby authorized to establish and/or designate such multi-year, non-lapsing accounts and or account numbers as are necessary to implement the transactions contemplated in this Resolution and to establish special revenue, non-lapsing, multi-year fund account(s) as necessary to which said sums shall be recorded.

Councilor Lachapelle **MOVED** to **ADOPT** the Resolution. Councilor Hamann seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

**13.6 Non-Public Meeting Minutes regarding the
Purchase of 181 Highland Street *motion to unseal***

13.6.1 February 1, 2022

13.6.2 April 5, 2022

13.6.3 June 7, 2022

Councilor Lachapelle **MOVED** to **UNSEAL** all three sets of minutes as stated above. Councilor Hamann seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

13.7 Resolution Authorizing the Acceptance of a Donation from Arthur Taylor, Jr. in the amount of \$10,000.00 *first reading and consideration for adoption*

Mayor Callaghan read the resolution as follows:

Resolution Authorizing the Acceptance of a Donation from Arthur Taylor, Jr. in the amount of \$10,000.00

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF ROCHESTER:

The City hereby accepts a donation of Ten Thousand Dollars (\$10,000.00) to be used by the Rochester Fire Department toward the costs of a kitchen in the proposed fire station to be located at 181 Highland Street.

To the extent not otherwise provided for in this Resolution, the Finance Director is hereby authorized to establish and/or designate such accounts and or account numbers as are necessary to implement the transactions contemplated in this Resolution and to establish special revenue, non-lapsing, multi-year fund accounts(s) as necessary to which said sums shall be recorded.

Councilor Lachapelle **MOVED** to **ADOPT** the resolution. Councilor Hamann seconded the motion.

Councilor Hainey asked if this would be a restricted donation. Ms. Ambrose said there is "donor intent" involved, which triggers a discussion about a trust being established. She said if this resolution were adopted, she would bring it to the Trustees of the Trust Fund's next meeting. The **MOTION CARRIED** by a unanimous voice vote.

13.8 Resolution Authorizing City Manager to Execute an Agreement with the New Hampshire Department of Transportation (NHDOT) for the Tebbetts Road/Old Dover Road Intersection Project *first reading and consideration for adoption*

Mayor Callaghan read the resolution as follow:

Resolution Authorizing City Manager to Execute an Agreement with the New Hampshire Department of Transportation (NHDOT) for the Tebbetts Road/Old Dover Road Intersection Project

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF ROCHESTER, AS FOLLOWS:

That the Mayor and City Council of the City of Rochester hereby authorize the City Manager to execute an agreement with NHDOT for a Highway Safety and Improvement Program Grant for the Tebbetts Road/Old Dover Road Intersection Project and for the City Manager to execute any and all required documents. The Mayor and City Council previously accepted said Grant as part of their approval of the FY 22 and FY23 budgets.

To the extent not otherwise provided for in this Resolution, the Finance Director is hereby authorized to establish and/or designate such multi-year, non-lapsing accounts and or account numbers as are necessary to implement the transactions contemplated in this Resolution.

Councilor Lachapelle **MOVED** to **ADOPT** the Amendment. Councilor Hamann seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

**13.9 Recommendation to award bid # 23-02
"Professional Municipal Auditing Services" to
Melanson *consideration for approval***

Councilor Lachapelle **MOVED** to **APPROVE** the awarding of bid #23-02 "Professional Municipal Auditing Services" to Melanson. Councilor Hamann seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

14. Non-Meeting/Non-Public Session

Mayor Callaghan asked the City Clerk to call the roll to enter a Non-Meeting at 9:44 PM. Councilor Gray questioned why the City Council would enter the Non-Meeting in Public Session if the Council would not be returning to the meeting. Mayor Callaghan agreed that it was not past practice of the City Council to take a roll call for non-meetings; however, the Attorney

General suggests that a roll call be taken in the public session. The **MOTION CARRIED** by a 12 to 0 roll call vote. Councilors, Gilman, de Geofroy, Gray, Hainey, Larochele, Berlin, Lachapelle, Fontneau, Hamann, Beaudoin, Malone, and Mayor Callaghan voted in favor of the motion.

15. Adjournment

Mayor Callaghan **ADJOURNED** the Regular City Council meeting at 9:45 PM.

Respectfully submitted,

Kelly Walters, CMC
City Clerk

EXHIBIT A: RFT Food Service Tentative Agreement

June 20, 22

RFT Food Service Chapter

School Health Cost Sharing Health Plan	80/20	80/20	80/20	80/20
	SOS \$20/40 RX 10/20/45 DED \$1000/3000	SOS \$20/40 RX 10/20/45 DED \$1000/3000	SOS \$20/40 RX 10/20/45 DED \$1000/3000	SOS \$20/40 RX 10/20/45 DED \$1000/3000
Projected Health Increase		GMR 5.2%	5%	5%
	Current FY22	FY23	FY24	FY25
Wages				
Base Wage	573,070	655,719	690,788	713,242
Longevity	12,870	12,870	12,870	12,870
Off Step Stipend	6,000	6,000	6,000	6,000
Total Wages	591,940	674,589	709,658	732,112
Dollar Change		82,649	35,069	22,455
% Change		13.96%	5.20%	3.16%
Benefits				
FICA	36,700	41,825	43,999	45,391
Medicare	8,583	9,782	10,290	10,616
Health Insurance	96,750	99,959	104,957	110,205
Dental	881	881	881	881
Total Rollups	106,214	110,622	116,128	121,701
Dollar Change		4,407	5,506	5,573
% Change		4.15%	4.98%	4.80%
Totals				
Total Wages Benefits and Rollu	698,154	785,211	825,786	853,814
Dollar Change		87,056	40,575	28,028
% Change		12.47%	5.17%	3.39%

~~ READ TO A CHILD 20 MINUTES A DAY ~~