

Finance Committee

Meeting Minutes

Meeting Information

Date: March 10,

Time: 6:00 P.M.

Location: City Council Chambers

31 Wakefield Street Rochester, New Hampshire

Committee members present: Mayor McCarley, Deputy Mayor Lauterborn, Councilor Walker, Councilor Gray, Councilor Hamann, Councilor Lachance, Councilor Bogan.

City staff present: City Manager Blaine Cox, Deputy City Manager Katie Ambrose, Director of Economic Development Mike Scala. City Engineer Michael Bezanson.

Agenda & Minutes

1. Call to Order

Mayor McCarley Called the Finance Committee meeting to order at 7:00 PM. Deputy City Clerk Cassie Givara took a silent roll call. All Committee members were present.

2. Public Input

No discussion.

3. Unfinished Business

3.1 UAB Water-Sewer Rates-Review-Letter from UAB

Mayor McCarley gave a brief overview of this agenda item. She stated that the UAB had put a great deal of work into the proposed rate increases and had presented to the Committee in November. The UAB is now coming back to the Committee asking for a decision on the matter to go to full council for a vote.

Finance Director Ambrose clarified that a decision does not need to be made immediately, but there can be a determination made on the process and the Committee can carry on further discussions.

City Manager Cox stated that there have been inconsistent increases in rates over the past ten years and the City needs to ensure that they are adequately maintaining the water and sewer funds. He clarified that even with these proposed increases, the rates would fall in the median of neighboring communities.

Councilor Lauterborn stated that the UAB made a compelling case with their request and she did not realize that the rates had been changed so minimally for the previous decade. Mayor McCarley acknowledged there had been a concern that to rectify the lack of increases over the past ten years, there would have to be yearly increases moving forward. This proposed rate increase schedule had caused discussions to continue in hopes of finding alternatives. Currently the proposed increase is 5% on water

and 10% on sewer.

Councilor Lachance **MOVED** to recommend to full Council the UAB report as submitted for a rate increase. Councilor Lauterborn seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

4. New Business

4.1 Economic Development Fund Supplemental Request-M. Scala

Economic Development Director Mike Scala referenced 47 acres which the City owns in the Granite State Business Park (GSBP). He stated that there is a company which has signed a Purchase and Sale (P&S) agreement for a parcel of this land on which they intend to build a 150,000 sqf warehouse facility. This P&S is contingent upon the City getting subdivision approval in this area; Norway Plains is currently doing subdivision work and road design to make the land into multiple salable lots. He said that Economic Development has accrued a bill for this site work which exceeds their remaining budgeted total for "consulting," so he is asking for an \$18,000 supplemental appropriation from the Economic Development fund to cover this GSBP project. Mr. Scala also asked for an addendum to the request to add \$40,000 for upcoming projects needing funding prior to the start of the new budget in July. The total amended request is for \$58,000.

Councilor Gray asked City Manager Cox about the potential of using TIF funding from the GSBP for this project. City Manager Cox stated that TIF funds could be used for this type of work, but he was not certain what currently remained in the account for GSBP TIF Funds following the water loop project. City Manager Cox said he had a recollection that some of the water loop funding was taken from General Fund because there were not enough reserves in the TIF to cover the total cost. Mr. Scala stated that his understanding was there was not adequate funding in the TIF, so he was proposing to use the Economic Development Fund from Waste Management host fees.

Councilor Walker asked if the \$40,000 being requested by Mr. Scala would be used at his discretion or if he would be coming back to the Finance Committee for approval on each proposed project. City Manager Cox stated that if Council approves the supplemental appropriation from the Economic Development Fund, the money will be appropriated into the Economic Development budget for the Director to use as deemed necessary without Council approval. Councilor Walker stated that he would prefer that the Director come back to the Finance Committee for approval of any future projects.

Councilor Gray asked for more information on what the budgetary requests for Economic Development would be in the upcoming cycle. He stated he was reluctant to vote to approve a supplemental appropriation so late in the fiscal year if there was going to be similar funding request within the budget resulting in significant funding requests. Mr. Scala said he had adjusted his budget and moved funding from lesser used areas to reflect the increased need for consulting and development work.

Councilor Gray **MOVED** to send the request for an \$18,000 supplemental appropriation to full Council. He requested that the City Manager provide further information for the Council to determine if they want to approve the additional \$40,000 and if any funding could come from the TIF. Councilor Walker seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

There was a brief discussion regarding the Economic Development Fund and the way in which supplemental appropriations from this fund can be added to the Economic Development Budget. Mr. Scala stated there is approximately \$116,000 left in the fund and he is asking for \$58,000 from this total.

4.2 Installation of Lights & Signs North Main Street Crosswalk-Discussion

Councilor Hamann explained that the Public Safety Committee had discussed the need for a better lit crosswalk near 103 North Main Street where the Lilac City Grille is located. He reported that there have been multiple accidents and many near-misses due to the poor lighting and inadequately marked crosswalk. Councilor Hamann explained that the proposed solution is overhead, downcast lighting which is cast outward leading up to the crosswalk. There are also overhead blinking lights being proposed.

City Engineer Michael Bezanson confirmed that the overhead, downcast lights would be installed and clarified that there would be push buttons which would activate the flashing lights to alert drivers that there is a pedestrian in the crosswalk. Mr. Bezanson said that part of the cost is for the underground conduit to provide power which would involve tearing up the sidewalk to access the power and then repairing afterward. The total cost would be approximately \$50,000.

Councilor Lauterborn stated that this item had already been to the Public Safety Committee and to Council to be vetted, the only issue now is determining whether there is money available for the project. Finance Director Ambrose stated that recommendation for funding would be cash CIP for FY21 which could be included in the City Manager's budget. Alternately, the Department of Public Works could add the project as a CIP request for the following fiscal year.

Councilor Bogan asked if it would be possible to approve only the flashing lights and pedestrian signs and potentially add the other options in the future if deemed necessary. Mr. Bezanson stated that he had been asked to price out the full package, but there can be any number of variations of the different elements. Councilor Walker stated that the flashing lights would require tearing up the sidewalk, so if it was determined later that the overheard lights were needed as well, the sidewalks would have to be torn up again increasing the total cost. There was a discussion on the potential of using solar panels for the lights and their reliability and safety.

Mayor McCarley asked if there was a recommendation on where a \$50,000 supplemental appropriation could be taken from. Finance Director Ambrose recommended the money come from Unassigned Fund Balance from the General Fund.

Councilor Gray **MOVED** to recommend to full Council a \$50,000 supplemental appropriation from the Unassigned Fund Balance for the 103 North Main Street crosswalk lighting. Councilor Walker seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

5. Reports from Finance & Administration

5.1 Monthly Financial Report Summaries February 29, 2020

5.1 (a) February 29, 2020 Revenues

5.1 (b) February 29, 2020 Expenses

5.1 (c) February 29, 2020 General Fund Salary & Benefits

No Discussion

5.2 Report on Sale of City Property

No Discussion.

6. Other

Councilor Gray referenced the School Department's concerns about Medicaid funding to Schools affecting their budget by \$600,000. Councilor Gray stated that the Governor had signed that bill yesterday which will resolve the issue moving forward. There was a brief discussion regarding the details of the bill relating to Medicaid license stipulations and whether or not Rochester would be affected.

Mayor McCarley reported that she had attended a meeting hosted by Stafford County in regards to the Coronavirus response and how municipalities should handle it moving forward. Councilor Gray stated that he was on the Joint Committee in Concord for the Coronavirus and gave details on their findings and information on testing, quarantine and isolation protocols.

7. Adjournment

Councilor Walker **MOVED** to **ADJOURN** the Finance Committee meeting at 7:33 PM. Councilor Bogan seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

Respectfully Submitted,

Cassie Givara
Deputy City Clerk