

**City Council Budget Retreat
And
Committee of the Whole Budget Workshop
May 6, 2022
Department of Public Works Facility
209 Chestnut Hill Road
12:48 PM**

PART II

COUNCILORS PRESENT

Councilor Beaudoin
Councilor Berlin
Councilor Desrochers
Councilor Fontneau
Councilor Gilman
Councilor Gray*
Councilor Hainey
Councilor Hamann
Councilor Larochelle
Councilor Malone
Councilor Rice
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 Dir.
Peter Nourse, Director of City Services
Mike Bezanson, City Engineer
Kelly Walters, City Clerk
Shanna Saunders, Planning Director
Tim Wilder, Assistant Fire Chief
Gary Boudreau, Police Chief
Lauren Krans, Recreation & Arena

Councilors Excused/Absent

Councilor Gray was excused at 4:18 PM

MINUTES PART II

4. Issues & Options Review and Questions:

Mayor Callaghan called to order the City Council Committee of the Whole Budget Workshop (following a recess) at 12:48 PM.

4.8 Public Buildings

Peter Nourse, Director of City Services detailed the following Issues and Options request on page 42 pf the booklet. The request is for a full-time custodian for the new Department of Public Works facility.

Mr. Nourse explained that the prior DPW facility had a part-time custodian at 8-10 hours per week. However, the new DPW facility is four-times larger and will require more hours to maintain and clean. Of the 28-hours afforded their current part-time staff member per week, there are still only 8-hours allotted to the facility itself with the remainder being the maintenance of downtown pools, and parks.

Councilor Berlin commented that it is easier to keep a building in its present state and more difficult to bring it back to its original state if it has not been well maintained.

Councilor Beaudoin asked for clarification on how many positions were included in the request. Director Nourse stated that this is for one full-time position; if the request is approved, that employee would be dedicated to the new DPW facility and the existing part-time employee would be utilized entirely for downtown and off-site clean up.

Councilor Gray commented that, in the future, the City should look into combining the cleaning and maintenance of all City facilities and schools into one department. He stated this would not only provide backup for the employees but could also provide support between departments if they are able to share equipment instead of making similar purchases and duplicating budget requests.

Councilor Gray asked Director Nourse to respond on a piece of equipment that had been included in the School Department's budget called an articulated lift which seemed similar to a lift that the Department of Public Works had included in the prior fiscal year's budget. Director Nourse stated that the DPW lift approved last year is a tow-behind, whereas the School Department is requesting a drivable lift. He confirmed that although DPW is able to share equipment, the School Department had needs beyond what DPW could supply. There was further discussion on the difference between these two types of lifts and the functions each could provide.

4.9 Public Works

Director Nourse referred Council to page 45 of the Issues and Options book and the requests that were resultant from the comprehensive water and wastewater workforce study from earlier in the year. He briefly explained the investments which needed to be made to infrastructure in order to comply with increasingly stringent environmental regulations. He gave an overview of the highlights of the requests.

"GIS/Asset Management Coordinated, Rochester Middle Management Group, Grade 11; FLSA Exempt; salary wages."

Director Nourse explained that this is an upgrade to a leadership position

and it is included in the City Manager's proposed budget. Mr. Nourse gave background on the reasoning for the request.

Councilor Beaudoin asked if this was a promotion for an existing employee. Director Nourse responded that although this is not necessarily a promotion for an existing employee, the department does have qualified employees who could fill the position. He stated that if the position does end up being filled by an existing employee, he would be looking to fill the position that said employee leaves vacant.

Councilor Hainey asked if there was a job description for this position. Director Nourse explained that if the position is approved, there would be a description and associated information developed by HR and the Personnel Advisory Board.

"Deputy Director for Technical Services: Public Works Dept. Non-Union; Grade 15; Step 10"

Director Nourse stated that this position is included in the City Manager's budget. He explained that the position was recommended in the aforementioned water/sewer workforce study Master Plan as well as being part of the DPW management optimization, employee retention, and succession plan. He stated that although DPW is the City's largest department, it is the only department without a deputy structure. He explained that the duties that will be handled by this employee are currently handled by the City Engineer. The idea is that the engineer would oversee the engineering division while this new deputy would coordinate that with asset management, GIS, water utility and sewer utility.

Councilor Beaudoin inquired about the DPW's attrition rate. Director Nourse said that he did not have the current rate, but felt it was too high. He reported that much of the turnover is in water and wastewater, where shortages are being experienced nationwide and the current staff population is aging; hiring can be a lengthy process and too often the employee moves on to another employer once they are trained. Director Nourse stated that he would look into the attrition rates and provide Council with this information. Councilor Rice asked the City Manager if the attrition rates at DPW and throughout the City could be caused by the City not remaining current with salary and benefits. City Manager Cox stated that the City does periodic market studies for all positions to try to remain competitive, but the job market situation nationwide has been fluid and it can be difficult to keep up with salary increases.

Mayor Callaghan asked for an overview of what this position would be in charge and what the Department of Public Works is currently lacking. Director Nourse stated that in the current structure, he often gets involved in day-to-day operations and administrative operations where his time could be better utilized

on other tasks.

4.10 Water & Sewer

Water System Superintendent; Non-Union Grade 14; Step 6

Director Nourse reported that this request has been included in the City Manager's proposed budget as well as being included as a recommendation in the previously mentioned workforce study. He noted that the study suggested that the current Chief Operator should be placed in this position. He explained that the Chief Operators for both wastewater and drinking water are required to comply with specific laws and regulations and they are required to maintain a professional license.

Councilor Hainey asked if there were any additional trainings or educational requirements that would come along with this position, or if it was simply a title change for the Chief Operator. Director Nourse stated that this was a title change with a modest increase in salary.

Councilor Fontneau asked if there was a way the get an updated workforce structure flow chart to clarify where the new proposed positions would fall within the structure. There was a discussion on where this information was contained in the materials distributed to Council.

Councilors Hainey asked if there would still be a Chief Operator once the Drinking Water Superintendent position is established. Director Nourse stated that the study recommended that the superintendent positions be filled with the employees currently holding the Chief Operator positions; however, it is further recommended to maintain the Chief Operator positions and reevaluate several years down the road to determine need. Director Nourse speculated that these Chief Operator positions would not need to be filled again.

Councilor Hainey inquired about the \$120,000 referenced in the proposal and asked if a portion of this is already in the budget as the Chief Operator's salary. Director Nourse confirmed that this amount includes their current salaries; the increase being requested for Drinking Water Superintendent is \$5,903 and the additional amount for Wastewater Superintendent is \$7,695.

Waste Water System Superintendent; Non-Union Grade 14; Step 10

Director Nourse confirmed that this position was similar to the prior position discussed and it is also included in the City Manager's budget. He stated that the rationale for this request is the same at the Drinking Water Superintendent position.

Wastewater Pump Station and Collection System Lead

Director Nourse said this position was excluded from the City Manager's budget. It is part of the 5-year Master Plan for restructuring the Water/Sewer work force. He explained that this would be a newly developed position, and one that is very important to begin to develop the split of the existing utilities division into a dedicated water distribution system and a wastewater collections system. Director Nourse stated that there is currently one lead heavy equipment operator in the utilities division who services both sides. This proposed position is a parallel position to this lead equipment operator, although it does have its own unique qualifications required. Director Nourse reported that if this position were not approved in the budget, he would need to request it next year which is not ideal because there are a large amount of recommendations and requests resulting from the Master Plan which will be upcoming in FY24.

Deputy Director for Operations and Administration: Public Works Department. Non-union; Grade 14; Step 7

Director Nourse stated that this position is not part of the workforce study, but it is included in the City Manager's budget.

Director Nourse explained that there are two sides of the DPW structure; there is technical services, which covers engineering, asset management, GIS, and utilities. The other side is administration, which covers customer service, utility billing, public buildings, and highway. This administrative portion tends to be higher tempo on a daily basis. This deputy position would oversee the administrative side of operations.

Director Nourse said that the way the organization is structured currently has the two utilities and Asset Management positions reporting to the City Engineer. The City Engineer will fall under the Deputy Director of Technical Services. Mayor Callaghan stated that the City Engineer and the Deputy Director are both grade 15 and inquired if one position reported to the other, why they are the same grade. Director Nourse acknowledged that this needed to be further reviewed; HR had felt that the Deputy position should be a Grade 15. There was further discussion on pay grades and union status for new positions.

Councilor Berlin inquired about the Issues & Options request for the Opera House Fly Wheel replacement. Deputy City Manager Ambrose stated this project was excluded from the budget, but that the Opera House would be presenting it at the Finance Committee meeting on May 10.

5. Capital Improvements Projects (CIP) Questions:

5.1 City Manager

Deputy City Manager Ambrose stated that the City Manager's budget only

contained one request, and that is the "Public, Educational, Government (PEG) Equipment" project. This is an annual equipment replacement request. There were no questions posed by Council.

5.2 Economic Development

Economic Development had a single CIP request for "Water Street Development." There were no questions regarding this project.

5.3 TIF Districts

Deputy City Manager Ambrose directed Council to pages 7 – 10 of the CIP book for the TIF district items.

Councilor Lachapelle referenced the project for **"Innovation Drive Sidewalk Extension and Lighting" (page 7)** which had a priority/need designation of "desirable" and inquired if this project could be postponed to another budget year. Mike Scala, Director of Economic Development, reported that the businesses in the area have expressed interest in this sidewalk extension due to the employees who are taking the bus to travel to work. The bus stop lets off on Rochester Hill at an area without sidewalks; the employees then need to walk down Rochester Hill to Innovation Drive, neither of which have sidewalks. City Manager Cox reported that for the past several years, the business park advisory group has been raising concerns regarding both sidewalks and lighting.

Councilor Lachapelle stated that if the City installs sidewalks they are required to maintain them and he asked how the sidewalk plow would be transported to the business park. City Engineer Mike Bezanson stated that the City currently drives the sidewalk plow up Rochester Hill to get to the business park for plowing.

Mayor Callaghan asked why this project is being proposed through the CIP as opposed to using TIF funds. Deputy Finance Director Sullivan acknowledged that when the projects were first entered into the budget, they were put in as bond. However, it would be best to reclassify them as TIF incremental retained assessed value. This has not been done at this point because they had not yet formulated what the assessed values would be in the TIF zone. He explained that the funding source would likely be changed to TIF in the future.

Councilor Gray referenced a practice in areas where sidewalks end in which a white line is spray-painted to delineate between road and pedestrian "sidewalk" area to indicate the area to be plowed. He suggested the City look at potentially doing this in the Innovation Drive area instead of installing sidewalks that would need to be maintained.

City Engineer Mike Bezanson stated that there is existing sidewalk behind a

raised curb on a portion of Innovation Drive and the intention was to extend this sidewalk to connect with Route 108 where there is a raised sidewalk that the City is trying to get included as part of a State DOT project

Councilor Berlin asked for clarification that there was already a sidewalk on Innovation Drive that is already being maintained by the City. Mr. Bezanson confirmed that there is existing sidewalk on Innovation Drive. This proposal is to extend the sidewalk 600 feet to connect with Route 108. There was further discussion on the cost associated with maintaining sidewalks. Mr. Sullivan stated that maintenance is an eligible expense to come out of TIF retained earnings and will not automatically be covered by the amount to be raised by taxes. Councilor Gray reiterated that he would like to see a cost analysis on the difference between installing sidewalks versus the alternatives he referenced.

It was stated that the current maintenance of the sidewalks on Innovation Drive is not paid through the TIF but rather through the General Fund. There was a brief clarification on how the TIF works; when the assessed value comes out of the TIF and is returned to the General Fund, the impact is to lower the tax rate. Councilor Beaudoin requested presentation on all the TIFs.

Director Nourse discussed **“Route 11 Capacity Enhancements” on page 9 of the CIP booklet** and gave details on the DOT ten-year plan and the projects that had been moved and rescheduled within that plan. Councilor Beaudoin asked if the total project cost of \$2,735,680 was only the City’s portion of the project with the remainder being federal funds. Director Nourse stated that the City would need to gross appropriate the amount to be reimbursed by these federal funds. He stated that the total project cost from all funding sources is estimated to be at \$2,735,680. There was further discussion on the percentages paid by the City and the State. City Engineer Bezanson explained how the State highway fund works and the NHDOT ten year plan.

5.4 Information Technology

Deputy City Manager Ambrose directed Council to page 13 of the booklet for the first of four CIP projects included for IT.

There were no questions posed by Council for IT regarding the CIP projects.

5.5 City Clerk & Elections

City Clerk Kelly Walters gave a brief overview of **the “Electronic Voter Checklist Tablets – Poll Pads” proposal on page 17**. This request is to purchase an electronic voter checklist system. She explained the benefit to this product and how it worked at the trial conducted Citywide in November 2022. Councilor Beaudoin inquired about the price of the poll pads and whether the increased price was due to special software. He also asked if the safety and

security of these poll pads had been properly vetted. Chief Information Officer Sonja Gonzalez discussed the safety specifications and the vetting this equipment had gone through. She explained that the devices are highly secure and encrypted and that they have been vetted by EI-ISAC (Election Infrastructure Information Sharing and Analysis Center) who found them to be secure. Although they are occasionally connected to internet, they only connect through a dedicated hotspot provided by the vendor for limited functions.

Councilor Gray clarified that a portion of the total purchase cost includes individual printers for each poll pad as well as the software itself. He briefly discussed the type of encryption that is used. Councilor Gray spoke briefly about how the receipts generated from the poll pads are used to mark a physical voter checklist for accuracy (which is required by State law).

Councilor Rice asked for some information on the “clean up” time at the November election and whether or not the use of these poll pads benefited the closing procedures. Deputy City Clerk Cassie Givara stated that the poll workers were returning to the election office by 9:00 PM, which is significantly earlier than has occurred in past elections. Councilor Rice asked what the feedback was from election officials regarding use of the poll pads. City Clerk Walters acknowledged that although there was some trepidation prior to the poll pads being used, the feedback was overwhelmingly positive and the time saved along with the accuracy was beneficial to the election process.

5.6 Planning

Councilor Hainey inquired about the **“Downtown Traffic Study” request on page 26** and recalled that the City had done a traffic study within recent fiscal years. Shanna Saunders, Director of Planning and Development, stated that a prior traffic report completed had included several recommendations; including looking at traffic patterns and whether to include additional parking on Main Street. She stated that there is a parking review group currently looking at the results of the parking study, and this group may be requesting a traffic study to determine whether to move forward with items such as one-way traffic and head-in parking, etc.

Councilor Beaudoin recalled that there had been a parking study completed four years prior. Director Saunders said that there had been a traffic study done for the specific purpose of looking at the potential of instating a two-way traffic pattern downtown; this proposed study being discussed would be specific to looking at parking and the potential of changing traffic patterns to facilitate more parking in certain downtown locations.

5.7 Police

Deputy City Manager Ambrose directed Council to **page 29, with the**

“Vehicle and Equipment Replacement Program” request. She asked the Chief to speak about the replacement schedule in light of the recently approved Capital Reserve Fund. She referenced discussions from the prior Council meeting requesting timelines on these vehicle replacements in order to be able to direct the Trustees on how to invest the funds appropriately.

Chief Boudreau reviewed the four vehicles that are set to be replaced this upcoming fiscal year. He explained that one of these had been the unanticipated replacement of the 2004 Ford E450 box truck, which is used as the mobile command unit. Although the mileage is low, the vehicle needs approximately \$12,000 worth of work to pass inspection and be roadworthy. The amount of work required is close to the total value of the vehicle, so it makes more sense to replace it rather than repairing it.

He gave details on the vehicles that will be requested for replacement in FY24. Chief Boudreau stated that police vehicles are usually cash CIP due to the short lifespan caused by heavy and rough usage. The Police Department has found that the maintenance costs rise around the 100,000 mile mark, which is when they typically try to replace them. He discussed the manufacturing backlog and the extended length of time between the vehicle order being placed and the department receiving the vehicles.

Councilor Beaudoin referenced the department’s Crime Scene van and the S.W.A.T. van. Chief Boudreau explained the differences between the set up and equipment of each of these vehicles. Councilor Beaudoin inquired why Rochester could not rely on the Strafford County S.W.A.T. team van as needed. Chief Boudreau confirmed that Rochester is part of the Strafford County S.W.A.T. team. Dover purchased their armored BearCat vehicle with grant money, which can be utilized throughout the county. Chief Boudreau gave his reasoning on the purposes for this proposed van purchase and how it will be used.

5.8 Fire

City Manager Cox asked Assistant Chief Wilder to speak about the replacement of the forestry vehicle. Assistant Chief Wilder stated that this vehicle was requested for replacement in the FY23 budget; however, the City Manager proposed that this replacement be pushed out one fiscal year. The Fire Department is looking to move the forestry vehicle back to the FY23 budget and he explained the disrepair and damage on the current vehicle to emphasize the need for a new forestry truck. Pictures of the state of disrepair of the current forestry vehicle were distributed to Council.

5.9 Recreation

Councilor Beaudoin referenced the **Squamanagonic Park disc golf course basket replacement on page 79 of the CIP book**. He asked if the City was

soliciting donations from the patrons who are using this park. Lauren Krans, Assistant Director of Recreation and Arena stated that the City is not currently requesting donations, although they are putting together an MOU between the City and the disc golf patrons and may look into joint funding efforts further down the road.

Councilor Larochelle commented that prior to being a disc golf course, this park had been misused in the past. However, the presence of the disc golf players has helped to keep the area well maintained and more inviting and accessible for the public.

Councilor Beaudoin asked about the **CIP request for Security Cameras at the Rochester Common (page 80)** and asked if these cameras would be monitored in real time and, if so, who would be in charge of the monitoring. Ms. Krans answered that the cameras would not be monitored in real time but the recordings could be reviewed if there was anything that arises. She stated that limited City personnel would have access to the cameras and recordings. Councilor Lachapelle clarified that this projects is requested for FY24.

5.10 Public Buildings & Community Center

Councilor Larochelle referenced the **"Hanson Pines Basketball Court – Lighting" project on page 15**. He suggested that instead of using a timer, these lights could be motion activated.

"Community Center – Carpet Replacement – DHHS Area" page 149

Councilor Beaudoin asked if the terms of the lease between DHHS and the City required the City to do all maintenance and repairs. City Manager Cox confirmed the City was responsible for these tasks.

Councilor Hainey asked if there had been consideration of using any other type of flooring and stated that carpeting needs to be replaced frequently. Director Nourse said that the carpet currently in place is from the early 2000s and is in disrepair. He said DPW is considering carpet squares which are easy to install and are fairly durable. There was a brief conversation of the durability, maintenance, and cleaning needs for carpet versus tile.

"Community Center Sign Replacement/Upgrade" page 151

Councilor Beaudoin asked if this sign would be like the electronic sign at the rear of the City Hall parking lot on Columbus Avenue. City Manager Cox stated that he did not believe this would be an electronic sign but rather one where messages and announcements would be manually changed. Director Nourse explained that the cost listed is \$80,000 which would have covered an electronic, scrolling sign

similar to the one at City Hall. However, the City has decided to go in a different direction with a manual sign, so the cost would likely be less. There has also been discussion on sign placement and potentially placing the sign on Chestnut Hill instead of Wakefield. Councilor Hamann suggested having a sign placed at both the Wakefield Street and Chestnut Hill side entrances.

Councilor Fontneau asked if the sign proposed at the Community Center would be the same style as the wayfinding signs that the City had placed in the past year. Director Nourse stated that this would be taken into consideration.

5.11 Public Works

Councilor Beaudoin referenced the \$200,000 cost for a replacement of a sidewalk plow and inquired why the price was so high. Director Nourse gave an overview of the current fleet and the 45 miles of sidewalks which they need to maintain. He spoke about the aging fleet and the trackless models that the City is looking to replace. Director Nourse spoke about the Multi Hog, which the City had purchased in the prior fiscal year at a cost of \$180,000 and explained that they are looking to purchase another of these units. He gave details on the varied abilities of this machinery.

Councilor Beaudoin referenced the DPW vehicle replacement program and inquired why some of the vehicles were scheduled for replacement with the mileage being so low. Director Nourse stated that although the mileage is low, the wear and tear on these vehicles is high with stop and go driving, salt exposure, and hauling of heavy loads. He explained that in the past, DPW has requested funds for two vehicle replacements each fiscal year; but the past two years there has been one vehicle cut from each request. Director Nourse said that vehicle #17, which is 2006 GMC dump truck, is rusted and rotted through in areas and in a state of poor maintenance. He explained how the vehicles will be cleaned, maintained, and kept inside at the new DPW facility.

Councilor Berlin asked about the potential of a protective undercoat to protect these vehicles from rust. Ken Henderson, Municipal Services Supervisor, stated that due to the heavy exposure to salt, any such protective undercoat would need to be re-done seasonally. Councilor Berlin stated that even if the undercoat would need to be redone frequently, this cost would still be less than replacing the vehicle due to rust and rot.

“Columbus/Summer Intersection” page 41

Mayor Callaghan asked for more details on this project and if it was in regards to left-hand turning. Director Nourse stated that this was an intersection identified in the Transportation Master Plan as needing to be addressed. This project would put in a left-hand turn lane to reduce the bottleneck. He also stated that there is

no pedestrian push button, sidewalk, or pedestrian phase in the light cycle, which is less than optimal. There is additional wastewater and utility work, which needs to be completed in this intersection.

Councilor Hainey asked about the funding source for the “Old Dover/Tebbetts Intersection Improvements” which is listed as “Bond: City/School, State Highway Fund.” Director Nourse said this is a project under the Highway Safety Improvement Plan and it will be a 90/10 split between the City and Highway Fund, with the City covering 10%. It was clarified that the listed \$1,350,000 is the total estimated project cost of which the City would be responsible for 10%.

“Union Street Parking Lot Reconstruction” Page 51

Councilor Hainey asked for more details on this project. Director Nourse stated that this is a joint project between multiple departments. It would not add any additional parking spaces, however it would add some electric vehicle charging stations, green spaces, as well as a much better traffic flow in and out of the lot. He reported that this is currently in the design phase and when completed, the design would be presented to City Council. Councilor Berlin commented that he felt the total project cost of \$1,450,000 was high if it was not going to result in any additional parking spaces. Director Nourse gave further details about the stormwater, sewer, and utilities improvements which would be completed as part of this project. There was a discussion regarding the MS4 permit and the City’s requirements regarding stormwater treatment improvements.

5.12 Water

“Cocheco Well Treatment Upgrades” page 102

Director Nourse clarified that this item is proposed to be appropriated in the FY22 budget and will go to a public hearing on May 17. If the supplemental appropriation is approved, this item can be removed from the FY23 budget. Deputy City Manager Ambrose stated that she would write a memo for an upcoming Council meeting outlining the process to be taken to remove this item from the FY23 budget if approved in FY22.

Councilor Fontneau asked about the funding sources listed for this project. Deputy Finance Director Sullivan detailed the funding. Councilor Beaudoin asked if Council could receive information on how these improvements would affect the water/sewer rates. Mr. Sullivan said the Utility Advisory Board was doing a rate review currently and will present to the Finance Committee when complete.

5.13 Sewer

“Sewer System Master Plan (SSMP)” Page 129

Councilor Hainey asked if the 120 miles of sewer pipe referenced in the narrative is contained in one area or if it throughout the City. Director Nourse stated that these pipes are located throughout the City in different areas. He clarified that it is mainly in more urban parts of the City where the pipes are older.

Councilor Beaudoin inquired about the average price of a sewer pump station. Director Nourse stated that it depended on several factors, but the average is around \$1,500,000 or more. He gave details on the recent increases in prices and the delays in getting the equipment built.

Councilor Lachapelle asked if the Master Plan would eventually look into upgrading sewer pipes. Director Nourse confirmed this would be reviewed. Councilor Lachapelle referenced the ARPA funds which had been used to re-line one of the City pipes. Director Nourse clarified that these ARPA funds had been used to re-line a main drinking water line. He said that they had put in for some ARPA funds on the sewer side as well. He gave details on the sewer capacity and processing and what projects are contained in the Master Plan.

Mayor Callaghan called for a recess at 2:41 PM

Mayor Callaghan called the meeting back to order following the recess at 2:55

Mayor Callaghan stated that, prior to the meeting, both Councilor Desrochers and Councilor Rice had informed him of valid reasons that it was reasonably impractical for them to attend the meeting in person. They were both authorized to attend the meeting remotely and are present via Microsoft Teams.

6. Debt Service Overview

Deputy Finance Director Sullivan presented a summary of the City's overall debt service. He explained that the Unassigned Fund Balance is a short-term position of liquidity for a specific end date, whereas the debt is the long-term look of debt service over 20-year period.

Mr. Sullivan presented depictions of the General Fund debt limit ratios and outlined the factors that can increase the margin between the issued and authorized and the available remaining. He presented a chart showing the 20-year principal issued versus the principal that had been authorized.

Deputy Finance Director Sullivan summarized the "4-3-4 Plan." This plan requests departments to attempt to annually propose no more than \$4 million in new debt from the General Fund, \$3 million in new debt from the Water Fund, and \$3 million in new debt from the Sewer Fund. This plan is an attempt to keep debt level and to keep the increases more gradual and somewhat proportional to the increase on the tax cap side. Mr. Sullivan gave an overview of the benefits of

this plan in stabilizing bond cycle issues as well as stabilizing the General Fund debt limit and lessening future year impacts to the tax cap and water/sewer user rates.

Councilors Lachapelle asked if there was a limit on water/sewer debt services for bonding. Mr. Sullivan confirmed that the Sewer is unlimited and Water is 10% of the equalized assessed value.

7. Public Input

There was no one present to speak.

8. City Council Budget Deliberations and Adjustments

Councilor Hainey asked what the cost was for the ambulance contract. Deputy Finance Director Sullivan stated that the cost is \$692,000 annually. Councilor Hainey asked when the contract expires. City Manager Cox stated that the contract expires next year, however the City needs to let the hospital know prior to July if they would like to extend the contract a year. He clarified that the original contract was for 5-years with several one-year extensions added on.

Councilor Rice **MOVED** to include \$28,800 for implementation of the Fire Department wellness/fitness system (Pg. 39, I&O). Councilor Fontneau seconded the motion. The **MOTION CARRIED** by a 12 to 1 roll call vote with Councilors Berlin, Desrochers, Gray, Fontneau, Hamann, Hainey, Lachapelle, Larochelle, Malone, Gilman, Rice, and Mayor Callaghan voting in favor and Councilor Beaudoin voting opposed.

Councilor Fontneau referenced the two deputy positions requested for the Department of Public Works. Councilor Beaudoin spoke against the funding needed for these positions with the current state of the economy and inflation. He emphasized the need to focus on needs as opposed to wants. Councilor Berlin agreed that these positions should not be approved during this budget. Councilor Rice asked if it was possible to approve one of the positions for a half year rate to assist the Department of Public Works. City Manager Cox asked the Council to review the Jacobs report supplied by Director Nourse before making any decisions. He explained that this report shows how the City is already significantly behind compared to other similar communities. He also referenced capital infrastructure improvements and regulatory restrictions to which the City will need to comply in the upcoming years. City Manager Cox said these positions are integral to accomplishing all this. Councilor Hamann spoke in support of these two positions and the importance of leaving them in the budget. Councilor Hainey asked if there would be an impact if one of the positions was left in the budget and the other moved to the next fiscal year. City Manager Cox explained that these positions are the start to a multi-year plan with additional positions being requested in upcoming

fiscal years; not approving these now would simply push each position out to upcoming years and cause future adjustments.

Director Nourse gave an overview to Council of the environmental regulations, required expansion of programs, large scale projects, and additional demands to which the DPW will need to comply. He referenced the MS4 permit which states that the City will staff adequately to meet these requirements as well as requiring reporting on how this staffing is reached. He explained how the DPW is understaffed and how they are unable to be proactive in many circumstances. Councilor Hainey asked what the penalties would be if the requirements of the permit are not met. Director Nourse briefly outlined the serious potential penalties, and state that the Attorney would be briefing the Council on the specifics soon. There was continued discussion on the impacts the City would face if these positions are not approved.

Councilor Rice inquired why the two positions have separate grades and steps associated. Director Nourse acknowledged that he felt these positions should have the same grade and scale; however, when DPW worked with HR on these positions they used their own criteria and were set at different rates. Councilor Rice reiterated the suggestion of funding one or both of these positions for a half-year starting in January 2023. There was continued discussion on the pros and cons of excluding these positions from the budget. Mayor Callaghan recommended the Council thoroughly review the Jacobs report before a vote is taken.

Councilor Fontneau asked for clarification on how funding a position for a half year would work. City Manager Cox stated that if the Council were to approve a half-year position, they would budget for half the amount requested and hire the position in January half way through the fiscal year. He stated that doing it in this manner ties the City into funding the full year position in subsequent fiscal years.

Councilor Hainey asked for more information on **the "Fire and Life Safety Inspector" proposal (I&O page 26)**. Assistant Fire Chief Wilder gave an overview of the positions responsibilities and the need for the position. Councilor Rice asked if this proposed employee would be issued a vehicle. Assistant Chief Wilder stated that this employee would not receive a vehicle but would rather utilize one of the department's existing trucks. Councilor Desrochers referenced the Statewide Improvement Plan and the significant issue posed by fall risks contained therein. She expressed support for this position and the money it would save in the long run.

Councilor Fontneau requested a breakdown of the proposed positions and how some of these positions could be funded (with revenue from permits, etc) that would not affect the tax rate or positions which could be offset by other revenue. Deputy Finance Director Sullivan reported that for every \$100,000 spent, the tax rate increases by approximately \$.03 cents.

Councilor Beaudoin directed Council to page 21 of the O&M book and the "General Government" budget. He pointed out the increases in the budget from the prior two fiscal years. He stated that he knew the current fiscal year was not completed but asked if there was a way to do a year-to-date spending analysis.

Councilor Rice **MOVED** to include into the budget the Fire and Life Safety Inspector proposal at an amount of \$99,000. Councilor Hainey seconded the motion. Councilor Malone reiterated that the City should look into offsetting a portion of the cost of the position with user fees/permits. The **MOTION FAILED** by a 4 to 9 roll call vote with Councilors Hainey, Rice, Desrochers, and Berlin voting in favor and Councilors Gray, Malone, Gilman, Fontneau, Larochelle, Beaudoin, Hamann, Lachapelle, and Mayor Callaghan voting opposed.

Councilor Rice referenced the position, which had been funded in the prior fiscal year for a temporary HR staff member to assist in the transition to the new HR Director. He asked where this funding was located in the proposed budget. Finance Director Ambrose stated that this funding had been in the HR salary line the prior fiscal year but was not included in this proposed budget. She clarified that there was a small amount remaining in the budget to cover a stipend for occasional phone calls, communications, or clarifications to the prior Director. She said this stipend is included in the part-time salaries line, which also includes a small amount for "as needed" consultations and work with the former Deputy Finance Director. Councilor Hainey stated that his understanding was that this budgeted amount for the former HR Director was temporary for one fiscal year. Director Ambrose stated that the intention was to have the position for one year. However, the City has requested to extend this agreement for HR assistance due to the multiple collective bargaining agreements being negotiated in the upcoming fiscal year. She stated that would be at a reduced amount and reduced amount of hours on an as-needed basis. Councilor Rice asked on the cost for each individual consultation or communication to this employee and the projected cost per month. Finance Director Ambrose stated that she would provide this information in her follow up memo for the future Council meeting.

Councilor Hainey referenced a proposed pay increase for the City meeting camera operators, which had not been included in the prior year's budget. She inquired if there had been any discussion on this increase for the upcoming fiscal year. City Manager Cox stated that he would look into the matter.

Councilor Beaudoin stated that the money going into the three recently approved Capital Revenue Funds would need to be discussed to determine the "time certain" and to direct the Trustees of the Trust Fund on how to invest the funds and the timeline on certain expenditures. He spoke about the DPW vehicle replacement schedule and requested a cost estimate on each vehicle to decide how to move forward over the upcoming fiscal years. Deputy Finance Director Sullivan stated that

the City had not yet completed this cost analysis or schedule with the Department of Public Works. He suggested allowing the work to be done prior to this discussion taking place.

Director Ambrose gave a brief outline of the upcoming budget schedule; with additional budget adjustments taking place on May 17 at the next Committee of the Whole Budget Workshop.

9. ADJOURNMENT

Mayor Callaghan **ADJOURNED** the City Council Budget retreat at 4:21 PM.

Respectfully Submitted,

Cassie Givara
Deputy City Clerk