

**City Council Special Meeting
May 17, 2022
Council Chambers
7:06 PM**

COUNCILORS PRESENT

Councilor Beaudoin
Councilor Berlin
Councilor Desrochers
Councilor Fontneau
Councilor Gilman
Councilor Gray
Councilor Hainey
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
Peter Nourse, Director of City Services

Minutes

1. Call to Order

Mayor Callaghan called the City Council Special Meeting to order 7:06PM. Deputy City Clerk Cassie Givara had taken attendance prior to Public Hearing immediately preceding the Special Meeting. All Councilors were present.

2. Resolution Authorizing Supplemental Appropriation to the Fiscal Year 2022 Water Capital Improvements Plan (CIP) Fund in the amount of \$5,600,000 for the Cocheco Well Improvements

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

Resolution Authorizing Supplemental Appropriation to the Fiscal Year 2022 Water Capital Improvements Plan (CIP) Fund in the amount of \$5,600,000 for the Cocheco Well Improvements

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 authorized a supplemental appropriation to the Fiscal Year 2022 Water Capital Improvements Plan Fund in the amount of Five Million Six Hundred Thousand Dollars (\$5,600,000) for the Cocheco Well Improvements project.

Further, for the purposes of funding the expenditures incident to the implementation of the improvements that the Mayor and City Council of the City of Rochester hereby resolve that, in accordance with the provisions of RSA 33:9, the City Treasurer, with the approval of the City Manager, be, and hereby are authorized to borrow the sum of Three Million Three Hundred Thousand Sixty Dollars (\$3,360,000) through the issuance of bonds and/or notes, and/or through other legal form(s), and Two Million Two Hundred Forty Thousand Dollars (\$2,240,000) through the acceptance of State of New Hampshire American Recovery Plan Act (ARPA) and State of New Hampshire Department of Environmental Services Drinking Water and Groundwater Trust Fund (DWGTF) grant programs.

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. The complete itemization of funding sources is as follows;

One Million Six Hundred Eighty Thousand Dollars (\$1,680,000) from State of New Hampshire (ARPA) grant funds.

Five Hundred Sixty Thousand Dollars (\$560,000) from New Hampshire Department of Environmental Services (NHDES) Drinking Water and Groundwater Trust Fund (DWGTF) grant program.

Two Million Eight Hundred Sixty Thousand Dollars (\$2,860,000) from New Hampshire Department of Environmental Services (NHDES) Drinking Water and Groundwater Trust Fund (DWGTF) loan program.

Five Hundred Thousand Dollars (\$500,000) through the issuance of bonds, or other notes.

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 resolution. Councilor Hamann seconded the motion. Councilor Hainey stated that the resolution indicated this funding was coming from several different sources and inquired how much would be covered by City funds. Peter Nourse, Director of City Services, answered that there was an American Rescue Plan Act (ARPA) grant for \$1,680,00.00, a Drinking Water Trust Fund Grant for \$560,000.00, a Drinking Water Trust Fund (DWTF) loan for \$2,860,000.00 (which would need to be paid back by the City), and then there is \$500,000.00 in City borrowing. He clarified that about 40% of the project is being funded by either DWTF or ARPA grants. Councilor Hainey asked if this meant the City was paying for 60% of the \$5,600,000.00 referenced in the resolution title. Director Nourse stated that the \$5,600,000.00 is the amount received through a grant from the DWTF. Councilor Hainey asked for further clarification on what the 60% of the total cost would be. Director Nourse stated that it would be approximately \$3.1 million, which is the combination of the DWTF loan along with the amount of City borrowing.

Councilor Fontneau asked Director Nourse for a brief summary of how this funding would be used. Director Nourse said the timing was due to the DES requiring the loan application to be submitted by June 1, 2022. The Department of Public Works is required to get Council approval for this supplemental appropriation and send it to the State in order to move forward. Director Nourse explained that these upgrades are for the treatment system of the Cocheco well. He reported that the State will start regulating manganese this coming in December and will consider it a primary contaminant as opposed to a secondary contaminant as it had been prior. The proposed upgrades will take approximately a year to complete and will help in reducing manganese below the new maximum contaminant level.

Councilor Beaudoin stated that Department of Public Works had a \$5,150,000 supplemental appropriation in the prior fiscal year's CIP budget and inquired if this same project had been approved but not completed at that time. Director Nourse said this project had not been included in a previous budget. He reported that it is currently included in the upcoming FY23 budget process, but had been pulled out and is being handled in the current fiscal year budget due to the deadlines involved.

Councilor Desrochers spoke about the high increase in population within

Rochester and asked Director Nourse to comment on how this increase, as well as more stringent EPA regulations, affected the need for this project. Director Nourse said this well is going to be increasingly more important. The 2020 water audit and demand analysis indicated that the water needs of the City will eclipse the availability to provide that need within ten years. Director Nourse stated that the well provides about 25% of the City's drinking water and further explained the uses and importance of maintaining this well.

The **MOTION CARRIED** by a unanimous roll call vote with Councilors Beaudoin, Hamann, Desrochers, Lachapelle, Malone, Berlin, Hainey, Laroche, Gilman, Fontneau, and Mayor Callaghan all voting in favor.

3. Adjournment

Mayor Callaghan **ADJOURNED** the City Council Special Meeting at 7:12 PM.

Respectfully Submitted,

Cassie Givara
Deputy City Clerk