

**Committee of the Whole Budget Workshop
May 11, 2021
Community Room
150 Wakefield Street and
Conducted Remotely via Microsoft Teams
6:30 PM**

COUNCILORS PRESENT

Councilor Abbott
Councilor Belken
Councilor Bogan
Councilor Gray
Councilor Hainey
Councilor Lachapelle
Councilor Rice
Councilor Walker
Deputy Mayor Lauterborn
Mayor McCarley

COUNCILOR ABSENT/EXCUSED

Councilor Hamann
Councilor Hutchinson

OTHERS PRESENT

Blaine Cox, City Manager
Katie Ambrose, Deputy City Manager
Terence O'Rourke, City Attorney
Mark Sullivan, Deputy Finance Director
Shanna Saunders, Director of Planning
Seth Creighton, Chief Planner
Jim Grant, Director of Building &
Licensing Services
Chris Bowlen, Director of Recreation &
Arena
Lauren Krans, Assistant Director of
Recreation & Arena
Mark Klose, Fire Chief
Mike Scala, Director of Economic
Development

Peter Nourse, Director of City Services

Mike Bezanson, City Engineer

Minutes

1. Call to Order

Mayor McCarley called the Committee of the Whole Budget Workshop to order at 6:30 PM and read the following preamble:

Good Evening, as Chairperson of the City Council, I am declaring that an emergency exists and I am invoking the provisions of RSA 91-A:2, III (b). Federal, state, and local officials have determined that gatherings of 10 or more people pose a substantial risk to our community in its continuing efforts to combat the spread of COVID-19. In concurring with their determination, I also find that this meeting is imperative to the continued operation of City government and services, which are vital to public safety and confidence during this emergency. As such, this meeting will be conducted without a quorum of this body physically present in the same location.

a.) **Public Input:** Due to the ongoing situation with COVID-19, the City of Rochester will be taking extra steps to allow for public input, while still ensuring participant safety and social distancing. In lieu of attending the meeting, those wishing to share comments, when permitted, with the City Council (Public Hearing and/or Workshop settings) are encouraged to do so by the following methods:

- **Mail:** City Clerk/Public Input, 31 Wakefield Street, Rochester, NH 03867 (*must be received at least three full days prior to the anticipated meeting date*)
- **email** PublicInput@rochesternh.net (*must be received no later than 4:00 pm of meeting date*)
- **Voicemail** 603-330-7107 (*must be received no later than 12:00 pm on said meeting date in order to be transcribed*)

Please include with your correspondence the intended meeting date for which you are submitting. *All correspondence will be included with the corresponding meeting packet (Addendum).*

In addition to the above listed public access information, the City Council will be allowing the public to enter the Community Room and speak in person during the Public Input portion of this meeting. In an effort to adhere to CDC guidelines: enter only into the right side door on the Chestnut Hill Road entrance at the rear of the building and exit through the opposing door. Please adhere to 6-foot social distancing while inside. Hand sanitizer and facemasks will be available at the Community Room entrance. The public will be allowed to attend the meeting in-person. Please note, seating will be provided that is arranged such that 6 foot socially distancing can be maintained.

At this time, I also welcome members of the public accessing this meeting by phone. The public can call-in to the below number using the conference code.

This meeting will be set to allow the public to "listen-in" only, and there will be no public comment taken via At this time, I also welcome members of the public accessing this meeting by phone. The public can call-in to the below number using the conference code. This meeting will be set to allow the public to "listen-in" only, and there will be no public comment taken via conference line during the meeting.

Phone number: 857-444-0744 Conference code: 843095

b.) **Roll Call:** Please note that all votes that are taken during this meeting shall be done by Roll Call vote.

Let's start the meeting by taking a Roll Call attendance. When each member states their name (and/or ward), also please state whether there is anyone in the room with you during this meeting, which is required under the Right-to-Know law. (Additionally, Council members are required to state their name and ward each time they wish to speak.)

Deputy City Clerk Cassie Givara took the roll. The following Councilors were present in the Community Room: Councilors Belken, Gray, Hainey, Rice, Walker, Deputy Mayor Lauterborn, and Mayor McCarley. The following Councilors were connecting remotely and indicated that they were alone in the location from which they were connecting: Councilors Abbott, Bogan, and Lachapelle. Councilors Hamann and Hutchinson were excused.

Prior to the start of the meeting, Councilor Lachapelle inquired about the American Rescue Plan federal funding of \$6.1 million dollars which would be released in two tranches to the City of Rochester. He said that his understanding was that these funds are limited to certain uses, and asked for an update from the City Manager if there is any way these funds could be utilized for the current fiscal year budget. City Manager Cox said that the City is slated to receive just over \$6 million. They have received 100 pages of guidance on how the money can be utilized and they will be soliciting input from the City departments on potential uses. They are looking at a timeframe of a month to allow for the departments to make recommendations. City Manager Cox stated that potentially, these fund can be used for already approved projects by changing the funding sources. Deputy City Manager Ambrose said that the City has several years to spend the funds and they are not limited to FY22.

Councilor Gray asked if the School Department can access the funds through the City. City Manager Cox said he is not certain and will need to look into it. Councilor Gray said that in other areas of the country the school and city budgets may not be separated like they are in NH. If they are receiving these funds, it would be likely that the funding could be used for both City and School purposes.

2. Public Input

There was no one present for public input and there was no written or email correspondence received.

3. O&M & CIP Budget Presentations:

3.1. Legal

City Attorney Terence O'Rourke said that the budget is slightly lower than last year with a slight increase to salaries and benefits caused by the victims witness advocate being increased from part-time to full-time. A portion of this increase will be offset by a grant received by the department annually.

3.2. Planning

Shanna Saunders, Director of Planning, directed Council to pages 75-78 to review the Planning budget. She stated that the budget has increased 7.7% over fiscal year 2021 in large part due to salaries and benefits which occurred with the transfer in administrative allocations when the planning department absorbed zoning responsibilities along with the ZBA.

Director Saunders outlined the issues & options request for an additional planner I, which had been excluded from the City Manager's budget. In the past year the department has lost a senior planner and their workload has increased greatly. Ms. Saunders summarized the increased workload of the department and the departments' responsibilities and tasks which are spread over the small staff of four people. She indicated that the department has been extremely busy for the past several months which potentially causes delays.

Councilor Lauterborn asked why the Arts & Culture commission falls under the purview of the Planning Department, as Ms. Saunders had listed Arts & Culture as one of the many commissions which they had to handle. Councilor Lauterborn said that the staff liaisons for this commission had

usually been from the Economic Development department and suggested that taking this commission from the Planning Department would relieve a small amount of their burden.

Councilor Walker asked if the \$80,330 requested for the Planner I includes benefits. Ms. Saunders indicated the amount quoted included all roll ups and benefits.

There was a clarification on the amount of staff in the Planning department in the previous year versus currently and the request for an additional staff member. Ms. Saunders stated that they were requesting a fifth staff member. Councilor Rice asked why the salary line had increased by \$12,000 if the Senior Planner who had left the department was a higher grade level than the planner hired after her departure. Ms. Saunders said she would look into the discrepancy. Mark Sullivan directed Council to page 2 of the budget book where there is an explanation in changes of salary.

Councilor Walker spoke in support of adding an additional Planner I due to the high workload in the department. Councilor Gray asked about the possibility of eliminating one of the zoning administrative assistants because the department had been combined into Planning. The money saved from this reduction could help in part to fund the Planner I position. Ms. Saunders stated that the Building and Licensing Department is equally as busy as the Planning Department and a reduction in their administrative staff would be detrimental. City Manager Cox stated that this Issues & Options request was difficult to cut and if he had the option of approving an additional request, it would have been for the planner I position.

Councilor Rice spoke in support of adding a Planner I position starting January 1 as a 6-month position in order to cut the salary and roll-ups in half.

Seth Creighton, Chief Planner, detailed the \$35,000 CIP request for a downtown traffic study, what it would entail, and the reasons for its importance. Mayor McCarley asked how long such a study would take to complete. Mr. Creighton stated that from bid to completion would be approximately 6-8 months.

Councilor Lauterborn said that there had been a downtown traffic study in the past which resulted in a recommendation for two-way traffic downtown which failed to be approved by City Council. She cautioned against spending money on another study which may yield the same results which are unlikely to be supported by Council. Councilor Walker stated that there had been a similar study done within the past two or three years and didn't feel that there was enough support from the citizens or the administration for two-way traffic

to warrant another study. Mr. Creighton clarified that there had been a transportation master plan completed in the recent past as well as a study performed from DPW in regards to parking, striping and traffic flow. There had not been a specific traffic analysis.

Mayor McCarley spoke in support of such a study and gave examples of situations downtown which may be alleviated if a study was completed and recommendations taken. Councilor Rice agreed that there would be a benefit to a study taking place, but felt that the timing was too early with some larger development happening in the downtown area which would change and increase the traffic and parking issues. He suggested postponing the traffic study until this construction and development is closer to being completed.

Councilor Walker **MOVED** to delay the downtown traffic study in an amount of \$35,000 until FY23. Councilor Rice seconded the motion. The **MOTION CARRIED** by a 6 – 4 roll call vote with Councilors Walker, Abbott, Gray, Rice, Hainey, and Lauterborn voting in favor and Councilors Belken, Bogan, Lachapelle and Mayor McCarley voting opposed.

Director Saunders detailed the \$35,000 CIP request to fund the updating of the Natural Resources chapter and the Cultural Resources chapter of the Master Plan. She said that State statute recommends updating them every 10 years and it has been over 14-years since either one had been reviewed. There was a brief discussion clarifying what is meant by cultural resources and natural resources.

3.3. Building & Licensing Services

Jim Grant, Director of Building and Licensing Services, directed Council to page 98 of the O&M book and stated that besides software, the budget is fairly flat. He explained that staff development appears as though it has increased as well as administrative equipment. The cost of those two items together equals to the increase in the software line. There was a correction made from these line items transferring funds into the software line. 20% of this software cost is coming from other departments sharing in the licensing fees. He also explained the money being transferred from his budget into the Planning Budget following the Planning Department taking on zoning responsibilities.

Councilor Walker asked what the \$12,000 for staff development would cover. Director Grant said that in the prior fiscal year, he had only used \$5,000 of this budget line due to COVID. He explained that this money is spread over the 6 staff members and would cover conferences, continuing education and seminars.

Director Grant gave a brief overview of some projects which will likely be requested in the next fiscal year but are not required yet.

3.4. Recreation and Arena

Chris Bowlen, Director of Recreation and Arena, and Lauren Krans, Assistant Director of Recreation and Arena presented the budget. Ms. Krans director Council to the O&M budget which she stated remained largely unchanged, although the departments programs are moving forward following a year or decreases due to COVID restrictions. She stated that they factored in a small decrease in large facility rentals due to continuing COVID restrictions.

Ms. Krans pointed out a correction to the "Communications" line and gave the correct figures.

Councilor Walker inquired about the line item for "Other Professional Services" and asked what the increase in \$4,400 would cover. Ms. Krans said that this line had been \$11,675 in the prior fiscal year, but money had been transferred out of it into the software line. The line usually covers cost for officials and referees at sports events as well as background checks for these officials.

Mayor McCarley asked if there was still money in the recreation and arena budget to develop and host a city-wide event such as the Lilac City Fun Festival. Ms. Krans confirmed that this money was still in the budget. She said there are no specific plans for an event, but they are open to ideas and would be excited to host such an event. Mr. Bowlen said that line also assists in the "Night Before the 4th" fireworks event, which will be starting up again this year as well as a holiday event at the Rochester Common. There was some discussion on potential of future community events.

Ms. Krans summarized the Arena O&M budget which has increased 1% aside from personnel increases. Councilor Lachapelle asked if there had been programs which backed out of practice times and scheduled ice arena times which may have affected revenues. Ms. Krans acknowledged that COVID had a significant impact; the arena is currently at 60% of collected revenues where normally they'd be at almost 100%. Ms. Krans summarized the upcoming programs and projects which the recreation and arena department has scheduled.

Ms. Krans summarized the issues and options request for a reclassifications of an existing position which will be split between the two

budgets. The position being reclassified is the full time arena attendant. The overall increase is \$25,000 for wages and benefits and Ms. Krans stated that the position has not been changed since the early 90s. She summarized the duties of this position.

Director Bowlen directed Council to page 83 for a CIP request of \$20,000 to be used for a passenger van. The current van the department uses is owned by the Rochester Housing Authority and is utilized for various trips such as assisting the resident seniors and transportation for certain programs. If approved, the department would buy this van which will then be housed at the recreation department; however it can be used by other departments as needed. Councilor Walker asked why the request is for a used van as opposed to a new van. Councilor Rice asked why the Housing Authority wanted to sell this van and wondered if it was worth the full \$20,000. Councilor Rice **MOVED** to buy the Recreation department a new van. Councilor Walker seconded the motion. Councilor Lauterborn cautioned that the money has to be found by cutting something else from the budget. She requested to see a price difference before a vote is taken so an appropriate decision can be made. Councilor Rice withdrew his motion and asked that the City Manager gather some figures and come back to Council with an estimate.

Mr. Bowlen referenced page 98 and detailed the Arena CIP request for \$35,000 to continue the process of taking care of the front façade of the Arena which has areas that need renovation, repainting, and rebranding to remove the former YMCA branding.

Mr. Bowlen directed Council to Page 99 for a \$45,000 request to supplement a prior request for indoor artificial turf which would be placed in the rink when the ice season is finished. The turf will be for use with programs such as indoor soccer, lacrosse, and fitness programs. He clarified that the previous approval was for \$80,000 was not expended, but the amount would have only covered the purchase of a product which was far too large and not user friendly for the Arena's needs. It would have required a machine to come in every time the turf needed to be moved. The proposed product is more expensive, but the department would be able to take the turf in and out without additional equipment.

Councilor Lachapelle asked about a proposed land purchase slated for FY23. Mr. Bowlen briefly discussed the potential purchase of land associated with the arena.

3.5. Emergency Management

Chief Mark Klose, Rochester Fire Department, directed Council to page

95 of the O&M book. He stated that there was a \$33,100 salary increase which is due to an upcoming training drill as well as the costs of the EOC. He said that the expenses associated with the training drill are reimbursable through homeland security and emergency management. He said the costs are paid by the department upfront and will then need to be submitted for reimbursement. Councilor Rice asked if the funds in the budget which will be reimbursed will affect the bottom line. Deputy Finance Director Sullivan stated that there is a revenue itemization in the general fund revenues for emergency management and there are no tax cap implications.

3.6. Debt Service

Deputy Finance Director Sullivan gave a thorough overview of the FY22 Debt Review and what it means both short term and long term.

Councilor Lauterborn suggested that the priority category for the federal money discussed might be the CIP bonded projects in FY23 and going forward. Mayor McCarley agreed that it may be a way to alleviate some of the costs for larger DPW projects

3.7. Economic Development/Granite State Business Park TIF/Granite Ridge Development District TIF

Mike Scala, Director of Economic Development, directed Council to pages 11 and 12 of the CIP book for two new requests. The first request is for \$75,000 for the demolition of the City-owned property at 11 Barker Court and to prepare the site for future redevelopment.

The second CIP request is for \$30,000 in the current fiscal year for Water Street development. He explained that Water Street is not a City street but rather a series of rights-of-way controlled by 4 separate property owners. Mr. Scala would like to start negotiations with these owners in order to gain control of the rights-of-way and eventually redevelop for future development.

Councilor Walker asked for clarification on whether the \$30,000 was for the purchase of the rights-of-way. Mr. Scala stated that this was true, although they were different sizes and they were not certain how much area would be purchased. Mr. Scala said that the property owners adjacent to these rights-of-way would be approached to discuss the purchase of the land in back of their buildings. He stated that \$30,000 was just a starting point and it may be more or less.

Councilor Hainey asked if the request was 3-parts, including paving and redevelopment. Ms. Scala said that the \$30,000 is only for the purchase

of the rights-of-way and, if successful, will lead to other phases at separate expense.

Deputy Finance Director Sullivan directed Council to pages 147-148 of the O&M book for the GSBP TIF and the Granite Ridge revenues and gave a brief overview. There were no Council questions on either TIF.

3.8. Public Buildings/Public Works/Community Center/ Water Sewer

Peter Nourse, Director of City Services, and Mike Bezanson, City Engineer, directed Council to pages 20-30 for the Public Buildings CIP and reviewed several of the highlights of the FY22 budget.

Councilor Walker asked if the Gonic Fire Station generator replacement on page 21 was the same project which had been in the prior years' budget and had been removed. Mr. Nourse stated that he did not believe this generator had been in the budget previously and that it had likely been a generator for a different location. Mr. Nourse said that this generator is 21-years old and is having issues. Although there may be grants the Fire Department can utilize for this generator, the cost would need to be appropriated up front and then submitted from reimbursement.

Councilor Rice inquired about the CIP for pool covers on page 23. Mr. Nourse had indicated these covers would be anchored in place; Councilor Rice asked if this meant the covers are locked or secured to prevent removal by unauthorized parties. Mr. Nourse answered that they are tightly secured. Councilor Rice asked how much staff time would be saved with the decreased cleaning of the pools which these covers would allow. Mr. Nourse clarified that these pool covers were for winter use and would not be taken on and off daily during the swim season.

Councilor Walker asked for specifics on the \$150,000 renovation of the revenue building interior which is outlined on page 24. Mr. Nourse said that the windows replacement alone is upwards of \$50,000. City Manager Cox clarified that these repairs would have needed to be done anyway and, now that the tax and auto registration departments are no longer in the building, the renovations and repairs can be done to better suit the assessing department.

Councilor Rice asked for a figure on how much of the \$150,000 would be for furniture purchase. Director Nourse stated that they did not have an exact figure for furniture purchases at this time and stated that, in general, construction and supply costs are up significantly right now which makes

projects more expensive.

Councilor Lauterborn asked about the \$12,000 CIP on page 25 for placing holiday lighting at the Rochester Common. She asked who had suggested this be done. Director Nourse stated that the request may have come from the Recreation department. City Manager Cox said there had been several groups who had suggested that the holiday lighting downtown be extended to the Common.

Councilor Rice asked for information on the \$168,000 CIP request on page 26 for vehicle replacement. Director Nourse said this is for the replacement of an aging loader as well as a tow-behind man lift which had been cut from the budget in the prior fiscal year. He stated that there is work, such as exterior painting, which has to be outsourced due to the City not owning this machinery. If the City had this equipment, they would be able to complete the projects in-house. Councilor Rice asked if the painting project at the Arena discussed earlier by the Recreation Department would be outsourced. Mr. Bowlen confirmed this would be the case. Director Nourse stated that if this man lift was authorized, the painting would not need to be outsourced and would save money in the long run.

Director Nourse references pages 50-60 in the CIP book for the Department of Public Works projects and explained what projects are hoped to be completed with the requested CIP requests.

Councilor Walker asked about the potential solutions suggested for the Old Dover Road/Tebbetts Road intersection improvements. Director Nourse said that the road safety audit had recommended some initial work, some of which has already been done; but ultimately the suggestion is for a roundabout type structure. He acknowledged that this may be tricky and take time due to the four abutters at this intersection and their respective rights-of-way.

Councilor Lauterborn asked for clarification on the split between City and State costs for this intersection project, with the State covering 90% and the City picking up 10%. Mr. Nourse explained that the projects has to be gross appropriated for the entire cost. The total City Cost will be \$115,000. Councilor Lauterborn asked if the City would need to carry the bond for this cost. Deputy Finance Director Sullivan said the 10% would be bonded by the City. There was a discussion on the reimbursement process for this project.

Councilor Walker asked what the \$75,000 for "pavement condition assessment" on page 53 would entail. Director Nourse explained that the program was started in 2016. The recommendation is that there is a review

done every 5 years using special equipment to develop a plan moving forward. He said that the City is at 5-year mark and this request will gather new data.

Councilor Lachapelle asked about the project on page 59 for the Union Street Parking Lot reconstruction. He asked if this project should coordinate with the ongoing downtown parking study. Director Nourse agreed that these projects could coincide. City Engineer Bezanson stated that the parking study was nearing completion and the Department of Public Works would like to start the redesign following on the heels of that study.

Councilor Walker asked about the purchase of a new SUV as detailed on page 60 for the Vehicle Replacement program. Director Nourse said that this vehicle is intended for use by the two assistant city engineers, who are currently sharing a vehicle. He said that these positions are very busy and their jobs necessitate many site reviews and a good deal of traveling.

Mayor McCarley referenced the request on page 102 for Community Center exterior door replacement. She asked how often the doors are used and if they are locked the majority of the time. Director Bowlen said that his understanding of the doors being locked is that it is a function of the fire code and capacity of the gym itself. He said that the doors are locked from the outside and alarmed, but that they need to be accessible, useable and able to be opened in case of evacuation. Assistant Director Krans stated that these doors are used by the school department for bigger functions.

Councilor Rice asked why the Community Center Sign replacement on page 103 was being pushed out to FY23. Director Nourse said there is still question regarding where the sign will be placed; where the sign is located currently there are line of sight issues. He clarified that this request had been placed in the budget prior to the renaming of the Community Center and the new signage being placed on the building.

Councilor Lachapelle asked about the Community Center bathroom renovations and when they were last updated. Director Nourse said that one of the bathrooms is original to the building and had not been updated since 1975. The other bathrooms near the recreation department was last done in 2013.

Director Nourse referenced pages 120 through page 141 for the Sewer Department CIP.

Director Nourse said that the legal and technical support for the NHPDES Permit on page 121 could be removed from the budget. Because the

department had been running low on current year funds, Council had approved a supplemental appropriation for this item at the May 4 meeting which should carry this project through the next couple years. Councilor Walker **MOVED** to remove the \$500,000 bond item for NPDES Permit legal and technical assistance. Councilor Rice seconded the motion. The **MOTION CARRIED** by a 10 – 0 roll call vote with Councilors Lachapelle, Rice, Gray, Hailey, Abbott, Bogan, Lauterborn, Walker, Belken, and Mayor McCarley all voting in favor.

Director Nourse summarized the \$150,000 request on page 126 for Waste Water Treatment Facility water system upgrade for a system, which uses treated effluent to carry out certain processes throughout the facility. Using this non-potable water for these processes would avoid increasing demand for treated water. Councilor Walker inquired about the cost savings for this system. Director Nourse said there is a value to customers as well as to the City, but he said he would research a number and return it to Council. Councilor Gray asked if this system would also have a positive effect on water during a drought. Director Nourse agreed this system would be beneficial in the case of a drought and said with the current system that the facility would be using 12-18 million gallons of water which need to be taken out of the potable water supply.

Katie Ambrose, Finance Director, said that the Water Fund projects which had been placed in the supplemental booklet distributed to Council will require action for inclusion in the budget. There would need to be two motions because there are cash and bonded sources for funding.

Councilor Rice **MOVED** to increase the City Manager's proposed amount for water fund CIP projects of \$85,000 by \$169,000 for a new total of \$254,000. Councilor Belken seconded the motion. Councilor Walker asked if this motion would have implications on the tax cap. Deputy Finance Director Sullivan stated it would not because it comes from the water fund. The **MOTION CARRIED** by a 10 – 0 roll call vote with Councilors Rice, Walker, Belken, Bogan, Lachapelle, Lauterborn, Hailey, Abbott, Gray, and Mayor McCarley all voting in favor.

Councilor Rice **MOVED** to increase the City Manager's CIP proposed amount for water fund borrowing projects of \$1,150,000 by \$975,000 for a new total of \$2,125,000. Councilor Walker seconded the motion. The **MOTION CARRIED** by a 10 – 0 roll call vote with Councilors Abbott, Bogan, Lauterborn, Rice, Lachapelle, Belken, Walker, Gray, Hailey, and Mayor McCarley all voting in favor.

4. Other

No discussion.

5. Adjournment

Mayor McCarley **ADJOURNED** the Committee of the Whole Budget Workshop at 8:52 PM.

Respectfully Submitted,

Cassie Givara
Deputy City Clerk