

MINUTES OF THE FINANCE COMMITTEE
EXECUTIVE CONFERENCE ROOM
August 10, 2017, 8:30am.

Committee Members present: Councilor David A. Witham, Chairman
 Councilor Dale R. Sprague, Vice-Chair
 Councilor Martin Pepin
 Councilor Jennifer G. Soldati

Administration/Staff present: City Manager, Bob Belmore
 Director of Public Works, Michael Bobinsky
 Finance Director, Scott Smith
 Police Chief, David Kretschmar
 Deputy City Clerk, Kelly Gagne

Other: Eric Chinburg, President of Chinburg Properties

The meeting called to order by Chairman Witham at 8:30 AM.

APPROVE PAST MEETING MINUTES

Councilor Pepin, seconded by Councilor Soldati, made a motion to approve the minutes of the July 12th meeting; the motion approved 3- 0.

Chairman Witham requested we take the agenda out of order, without objection, to address the Chinburg request.

CHINBURG PROPERTIES – FORMER HILLTOP SCHOOL PROJECT WAIVER REQUEST ON ALL CITY FEES

Manager Belmore introduced Eric Chinburg, President of Chinburg Properties. In the 79:E application he submitted for the September 5th hearing, Mr. Chinburg included a request to waive city fees related to the redevelopment of the former Hilltop School. Director Smith estimated the sewer assessment fee between \$45,000 and \$99,000 depending on the number of bedrooms in each unit and applying a credit using past analysis from when it was an elementary school. Building permit fees have not been calculated, but are estimated to be about \$24,000.

Councilor Pepin stated he is willing to consider waiving the fees as he would like to have the Hilltop School redeveloped.

Chairman Witham detailed you have to look at this type of request on a case by case basis. In this instance, the developer can put \$45,000 into the project instead of paying connection fees and make for a better overall project.

Councilor Soldati really doesn't have a problem with waiving fees. She feels grateful for the developer coming in and taking on the building renovation project.

Motion made by Councilor Pepin, seconded by Councilor Soldati, granting an abatement for water/sewer connection fees for former Hilltop School renovation project. Approved 3-0.

Chairman Witham stated he is fine with fees waived, unless it involves any direct city costs.

***Motion made by Councilor Pepin, seconded by Councilor Soldati to support waiving building fees, except those fees which involve any needed City contracted services costs or City supplied supplies, which the developer will be responsible for. Mr. Chinburg acknowledged he would be responsible for those type of costs
Approved 3-0.***

Councilor Sprague entered meeting at 8:45am.

MISCELLANEOUS

Chief Kretschmar updated the committee on the (JAG) Justice Assistance Grant. It came out late last week and the closing date is September 5th. The Grant requires a public hearing and approval of the Council by this date. Chief Kretschmar stated they would like to use the Grant funds to update servers housing critical audio/video data at the police station.

Motion made by Councilor Pepin, seconded by Councilor Soldati, to sponsor a Resolution authorizing the JAG grant's acceptance. Approved 4-0

FY18 BUDGETED VEHICLE PURCHASES-LEASE PROPOSALS

Director Smith informed the Committee that there were 4-lease proposals for: 1 one SUV style Police Cruiser, Code Office-New Vehicle Pick-Up, DPW Plow Truck, DPW 1-ton truck, DPW Compact Tracked Loader. TD Equipment Finance was the best option for a 3-year estimated lease/purchase agreement of \$132,383.00 or a 5-year estimated cost of \$81,606.00, with a down payment of \$20,000. Councilor Witham asked if 3 or 5 years is better. Director Smith stated last year we went with a three-year lease option, but we do not have any expiring debt in the upcoming year so the entire payment will impact the budget.

Chairman Witham supports a 5-year lease/purchase agreement.

***Motion made by Councilor Sprague, seconded by Councilor Pepin to sponsor a Resolution to accept 5-year lease/purchase agreement with TD Equipment Finance for \$81,606.00.
Approved 4-0***

PWD BUDGETED 1-TON TRUCK STATE BID PURCHASE

Director Bobinsky spoke about a replacement truck, a Ford 1-ton truck is being requested for replacement and it will be outfitted with a body to accommodate winter operations. The current

truck #201 is a 2006 Chevy 1-ton truck with approximately 118,000 miles. Truck #201 has been experiencing engine break downs and has required replacing of parts. Councilor Pepin asked how the rest of the Ford fleet is holding up, Director Bobinsky answered great.

Motion made by Councilor Pepin, seconded by Councilor Soldati to sponsor a Resolution to purchase of 1-ton Ford truck, using the State of NH bid list, and financed through the lease/purchase arrangement. Approved 4-0.

REVIEW FY18 ROAD RESURFACING BIDS

Director Bobinsky stated we have received 3 bids. Pike Industries submitted the lowest bid, which included a series of street repairs on: Maple St, Blackwater Rd, Green St, Rocky Hill Rd, and Winter St. In addition, spot repairs on the following areas: Hillside Dr, Salmon Falls Rd at Maloney St, Salmon Falls Rd at Eddie Bridge, 17 Tate's Brook Rd, High St (Verona to Bartlett.) Councilor Soldati asked why the bid was lower than anyone else. Councilor Sprague answered that they make their own hot top. Councilor Sprague suggested that if the bid came in under budget, why not add in more streets.

Chairman Witham thinks we can extend the initial project length on Winter St and go to the end at Market St. He is also interested to see if that in addition to the current project on Rocky Hill Rd, if they would be able go the other direction on Rocky Hill Rd as well to Otis Road.

Councilor Sprague stated we should ask the engineer to estimate the cost to include Winter Street to Market Street, and Rocky Hill Road from Tate's Brook to Otis Road. If the contractor's cost is equal to or less than the estimate, we should include that as a change order now to the project.

Motion made by Councilor Pepin, Seconded by Councilor Sprague, to sponsor a Resolution awarding a contract to PIKE Industries for road resurfacing including all alternates and further to include Winter St. to Market Street and Rocky Hill Road from Tate's Brook to Otis Road if the cost is equal to or less than the City engineer's estimate. Approved 4-0.

There was a lengthy discussion about Washington St and Constitutional Way for future project work.

STATE OF NH UNANTICIPATED LOCAL INFRASTRUCTURE GRANT FUNDING -SB 38-FN; \$195,014.44

There was discussion on where the Grant funds would be placed. Chairman Witham asked if it could be placed into the Special Municipal Transportation Fund. Director Smith stated we could do that utilizing a supplemental appropriation but these funds will be held in a non-lapsing special revenue fund until Council takes action to use it.

Finance Committee is in agreement with money going into a special revenue fund account.

Councilor Sprague asked if Indigo Hill Rd project is completed. Director Bobinsky stated yes, road will be opening to traffic next week after striping is done. Chairman Witham said he spoke to Severino's foreman and that there is line striping and PED signals left to complete.

PEDESTRIAN SIGNALIZATION UPGRADES/REPAIRS ON HIGH STREET AT WILLAND POND ENTRANCE

Manager Belmore noted the need to update pedestrian signalization at the High St and Willand Pond entrance with a cost estimate of \$15,000 - \$18,000. Director Bobinsky passed out a quote from Electric Light to upgrade the pedestrian signalization. Director Bobinsky explained what needs to be done such as replacing and installing the pedestrian buttons, countdown heads, other electronics, and ADA ramp upgrades. There will be a reimbursement from the state liquor store development project of \$9,000.00. The upgrades will go from the new liquor store site to the Monster Gas station; Dairy Queen at plaza crossing will be included in the upgrade.

Chairman Witham suggests we move forward with this idea.

Motion made by Councilor Pepin, seconded by Councilor Soldati to approve a NTE amount of \$19,000 to complete Pedestrian signalization upgrades and repairs at High St/Tri-City Plaza/ Willand Pond Drive intersection. Approved 4-0

MISCELLANEOUS

Manager Belmore stated that that as part of the Somersworth Capital Improvement Program for Fiscal Years 2018-2023 contains a recommendation to replace a water TOC analyzer at the Water Treatment Plant. He stated that it is already in the budget. It has been suggested that the City stays with the same brand analyzer.

Councilor Sprague stepped out at 9:38am.

Motion made by Councilor Pepin, seconded by Councilor Soldati, to sponsor a Resolution authorizing the purchase of a HACH B3500 Biotector TOC analyzer for use at the Water Treatment Plant. Approved 3-0

Manager Belmore asked the Committee to support waiving the bidding requirements of the purchasing policy under the City Ordinance for soliciting contractor proposals for Breton's Cleaners Brownfields project. The City will be collecting several quotes for the demoing of the building.

Motion made by Councilor Pepin, seconded by Councilor Soldati, that the finance committee support waiving bidding requirements of the purchasing policy for Breton's Cleaners. Approved 3-0

Councilor Sprague returned at 9:43am.

Manager Belmore informed the Committee the State of NH Sweepstake's Commission has contacted the City about considering allowing Keno in City establishments to help fund all-day Kindergarten. They are requesting the lottery officials be allowed to address the Council on this issue at the September 5, 2017 City Council meeting, which the Mayor has approved

Manager Belmore informed the Committee he has received a memorandum from the City Assessor regarding our current sales ratios. The City is still in acceptable limits. We are currently scheduled for a full revaluation in 2019, but based on the current ratios, that could get pushed up a year if the trends we are seeing continue. He said he would include the Memo in the upcoming Council's meeting packet.

REPORTING

Director Smith stated that they are working on the year-end close out. They are preparing for auditors at the end of the month.

ADJOURNMENT

Councilor Pepin, seconded by Councilor Soldati, made a motion to adjourn at 9:46 am.

Respectfully submitted,

Kelly Gagne, Deputy City Clerk