



**LACONIA CITY COUNCIL MEETING
FEBRUARY 14, 2011
CITY HALL – CONFERENCE ROOM 200A
7:30 P.M.**

CALL TO ORDER:

Mayor Seymour called the meeting to order at 7:32 p.m.

SALUTE TO THE FLAG:

Councilor Ava Doyle led the Salute to the Flag.

ROLL CALL:

City Clerk Reynolds called the roll with the following Councilors present: Councilor Doyle, Lahey, Lipman, Baer, Hamel and Bolduc. Also present City Manager Eileen Cabanel.

ADOPTION OF MINUTES OF PREVIOUS MEETINGS:

- **The non-public minutes of 1/10/11, non-public and regular minutes of special meeting on 1/24/11 and minutes of regular Council meeting on 1/24/11**

Councilor Bolduc moved to accept the non-public minutes of 1/10/11, non-public and regular minutes of the Special Meeting on 1/24/11 and minutes of regular Council meeting on 1/24/11. Seconded by Councilor Hamel. **Motion passed unanimously.**

CONSENT AND ACTION CALENDAR:

- 1. Weirs Community Park Association requesting to raise fund at the Weirs Community Center Parking lot 6/11/11 – 6/20/11**

This is the same request as approved by the Council in previous years. The only change is the dates. This request was approved by the Parks & Recreation Commission at their 1/24/11 meeting.

Councilor Doyle moved to approve the request by the Weirs Community Park Association to raise funds at the Weirs Community Center Parking lot 6/11/11 – 6/20/11. Seconded by Councilor Hamel. **Motion passed unanimously.**

- 2. NorEaster Softball Club request to raise fund at Woodland Heights and Opechee Park ball fields 8/5, 8/6 and 8/7/11 for the NorEaster Softball Classic**

This is the same request as approved by the Council in previous years. The only change is the

dates. This request was approved by the Parks & Recreation Commission at their 1/24/11 meeting.

Councilor Bolduc moved to approve the request by NorEaster Softball Club to raise funds at Woodland Heights and Opechee Park ball field 8/5, 8/6, and 8/7/11 for the NorEaster Softball Classic. Seconded by Councilor Lahey. **Motion passed unanimously.**

3. Adoption of Fixed Asset Policy

Adoption of this policy is required annually. Finance Director Pam Reynolds has reviewed the policy and does not recommend any changes from the policy adopted in 2010.

Councilor Lipman moved to adopt the Fixed Asset Policy as presented. Seconded by Councilor Hamel. **Motion passed unanimously.**

CITIZEN COMMENTS FOR MATTERS NOT ON THE AGENDA:

Stacy Laughton – Ms. Laughton expressed that this is a difficult night, because rather than running for City Council this year, Ms. Laughton will be moving to Nashua on March 1. Ms. Laughton complimented the Council for their job well done, noting that Laconia will be missed. Mayor Seymour thanked Ms. Laughton for the kind words.

INTERVIEWS: NONE

COMMUNICATIONS:

1. Letter from Lakes Region Public Access Television requesting appointment of Council representative and forming a consortium to assist with cable franchise renewal agreement

City Manager Cabanel explained that this is designed to explore the options for this agreement. This has not been done in the time that the City Manager has been with the City.

Councilor Hamel volunteered to the appointment.

Councilor Lahey moved to appoint Councilor Hamel as the Council representative and forming a consortium to assist with the cable franchise renewal agreement. Seconded by Councilor Lipman. **Motion passed unanimously.**

PRESENTATIONS: NONE

MAYOR'S REPORT:

Mayor Seymour reminded everyone that the Cabin Fever Festival is being held on Friday, February 18 at the Belknap Mill.

The 81st Laconia World Championship Sled Dog Derby was held this past weekend. Mayor Seymour complimented Councilor Hamel and Councilor Bolduc for their volunteerism at the event, noting they did a great job.

CITIZEN REQUESTS TO COMMENT ON CURRENT AGENDA ITEMS: NONE

PUBLIC HEARING: NONE

COMMITTEE REPORTS:

1. **FINANCE: (Lipman, Hamel, Baer)**
 - a) WOW Trail Fund
 - b) Special Item Budget Requests Procedural Review

No report on any item in committee.

2. **PUBLIC SAFETY: (Baer, Doyle, Lahey)**
 - a) Fair St./Court St. traffic problems and accidents

No report on any item in committee.

3. **GOVERNMENT OPERATIONS & ORDINANCES: (Doyle, Bolduc, Lahey)**
 - a) Energy Committee
 - b) Amendment to Zoning ordinance re Drug Treatment Facilities

No report on any item in committee.

4. **PUBLIC WORKS: (Bolduc, Baer, Lahey)**
 - a) Ordinance Amending Chapter 221, Vehicles and Traffic/Parking on Sublawns
 - b) Oak & North Main St. Intersection
 - c) Proposed ordinance regarding vehicles over 18,000 lbs. and engines idling between the hours of midnight and 6:00 a.m.
 - d) Proposed ordinance regarding large vehicles parked on City streets and sidewalks
 - e) Inventory of Public Works Equipment

Councilor Bolduc requested to schedule a meeting for February 28, 2011 at 6:30 p.m. regarding the inventory of Public Works equipment (item e).

No report on any item in committee.

5. **LAND & BUILDINGS: (Hamel, Lipman ,Bolduc)**
 - a) Repair & maintenance of City Buildings

No report on any item in committee.

LIAISON REPORTS: NONE

MANAGER'S REPORT:

City Manager Cabanel updated the Council on the proposed Ordinance Amendment relating to Impact Fees. When the language was revisited after the last presentation by the Planning Director Shanna Saunders, the City received conflicting information relative to grandfathering of existing businesses so

the process was put on hold. They have now received accurate information and will be coming back to the Council with the new language at the February 28 meeting.

The Unfair Labor filings from the Fire and Police Departments are still ongoing. There was a hearing scheduled for tomorrow with the Public Employees Labor Relations Board (PELRB) in reference to the Police filing, and that has been cancelled at this point. The Fire Department and the City will be submitting legal positions on the matter rather than holding testimonials, and the hope is to do the same for the Police filing.

City Manager Cabanel and Finance Director Pam Reynolds have finished making cuts to the department requests and have come down to a shortfall of \$275,000. City Manager Cabanel has met with the department heads and requested a list of services that could be eliminated; this list will then be prioritized and presented to the Council so they can make the decision on what additional programs or services can be eliminated.

An inventory list of Public Works equipment has been provided to the members of the committee for review, along with a debt schedule.

Councilor Lipman recalled that the idea was to use the Internal Service Fund Revenue to cover the bond. City Manager Cabanel expressed that this would be her proposal, although she thinks the Public Works will ask for more. The working of the Internal Service Fund is a complicated process, but it is the understanding that if you purchase new equipment you need to pay into the fund for the depreciation in preparation for the replacement of such equipment at a later time.

Councilor Hamel asked if the \$150,000 budgeted each year was Capital rather than Internal Service Funding. City Manager Cabanel explained that each department pays into the depreciation line item for the Internal Service Fund, and in turn the Fund pays for repairs, maintenance, three mechanics, parts and other items. The difference of the funds going in from each department and the expenses leaves the cash on hand for purchases. If new equipment is purchased at a value of \$1 million and has a useful life of 20 years, now you have to put the depreciation into the fund to pay to replace it in 20 years.

Councilor Lipman made the suggestion to have the Internal Service Fund policy reviewed by the Finance Committee so they would have a better understanding of how it works. City Manager Cabanel agreed. Councilor Lipman continued that the amount to be set in that fund should be adjusted for depreciation and it shouldn't be ignored.

NEW BUSINESS:

1. Request to transfer \$35,000 from Contingency to the Litigation account

City Manager Cabanel explained that the City needs to hire an environmental attorney to work on potential issues that there may be with a closed landfill on Morin Road. The State of New Hampshire has notified the City to clean up the site, but there is speculation as to who is responsible for the property and who owned it at different times. The break down would be \$30,000 for attorney fees and \$5,000 to hire a company to test the site. The research is being done by City Manager Cabanel and Kevin Dunleavy to defray some of the costs.

Councilor Hamel moved to transfer \$35,000 from 01-431-343-0000 Contingency to 01-402-225-0005 Litigation. Seconded by Councilor Doyle. **Motion passed unanimously.**

Councilor Hamel asked if the City Manager had the total cost of litigation for a suit brought against the City in reference to the Charter Amendments that were placed on the ballot at the last election. City Manager Cabanel noted that the cost of this specific case was not available, but the individual who has been bringing suits against the City for various items has cost the City approximately \$38,000 over the last three to four years. It was noted for all intents and purposes, the City has won all of the cases.

2. Reappointment of Councilor Lipman as Council representative to Belknap County Economic Development Council

Councilor Lahey moved to reappoint Councilor Lipman as Council representative to the Belknap County Economic Development Council. Seconded by Councilor Bolduc. **Motion passed unanimously.**

3. Proposed ordinance amendment to Chapter 161, Licensing regarding licensing fees for Motorcycle Week

City Manager Cabanel explained that there have been requests by property owners outside of the Commercial Resort (CR) Zone of the City to have vendors for Motorcycle Week. The vendors are deterred from coming because the cost for vending is \$450 for the week or any portion thereof, and in some cases the vendors won't make enough profit to justify spending this amount of money. When looking into the situation, it was established that the cost to have the vendors set up, such as police and public safety costs, is much less than in the CR Zone; the vendors and property owners can also be asked to have extra services that will be additional costs to them. The outcome from the Licensing Board was to have everything not in the CR Zone charges \$100 for any activity, with \$25 for non-profit groups, with a fee of \$100 for Entertainment or Loudspeaker permits and \$50 for Food Inspection Fee.

The Weirs Action Committee has not taken a position on the proposal because not all members have been contacted to make comment. Charlie St. Clair from the Laconia Motorcycle Week Association is in favor of the proposal.

Councilor Bolduc asked if this would allow Harley Davidson to stay in Downtown and have more vendors. City Manager Cabanel explained that Harley Davidson has not committed to coming to Downtown, but the idea was presented to have them move to the smaller parking lot on Main Street for ease of access and accommodation to Harley Davidson, which has downsized there operations due to the economic conditions.

Councilor Hamel moved a first reading of an Ordinance Amendment to Chapter 161, Licensing regarding fees for Motorcycle Week. Seconded by Councilor Bolduc. **Motion passed unanimously.**

Councilor Hamel moved to hold a Public Hearing regarding an Ordinance Amendment to Chapter 161, Licensing regarding fees for Motorcycle Week during the regular Council Meeting on February 28, 2011. Seconded by Councilor Bolduc. **Motion passed unanimously.**

4. Colonial Theatre Advisory Committee Format

City Manager Cabanel reviewed her proposed format, which contains the following:

- 3 members Business/Theatrical expertise
- 1 member Cultural resources expertise
- 1 member Education

- 3 members Financial (one from three local banks)
- 4 members Current Colonial Theatre Committee

The four current members are Rod Dyer, Bob Selig, Warren Clement and Marie Bradley. Although it was recommended to not have City employees on the formal committee, Marie Bradley will be retiring in August and has a lot of experience and knowledge to bring to the committee. City Manager Cabanel has also expressed to Mrs. Baldi that they would like a six month extension on the Option Agreement. Mrs. Baldi will be in this week to speak to the City Manager about this.

Councilor Lipman stated that he would like to see a residential or business consultant to help with the businesses surrounding the theatre, as well as the apartments above. City Manager Cabanel explained that this will be part of the next stage, which will involve a business plan. This will involve using some of the balance left from the designated funding.

Councilor Baer stated that a business plan should be done by a potential buyer. City Manager Cabanel stated that there is not potential buyer; in order to entice a buyer, the work needs to be done so it can be handed over ready to operate. Councilor Lipman further clarified that we are enabling a future non-profit group to be able to assume the project and it is not guaranteed that it will, but we are giving it the best chance to be successful; if it ever can be done, this process will be the catalyst for it.

The Council is in agreement of the City Manager’s proposed format.

5. Letter to Senator Ayotte and Congressman Guinta regarding funding for Central Fire Station/Councilor Hamel

Councilor Hamel explained to the Council that he would like to send letters to the Senator and Congressmen because the process is at a standstill. Applications were completed for stimulus money that was being set aside for “shovel ready” projects, and the Central Fire Station was turned down. It is the understanding that there is still a substantial amount of money that wasn’t used for projects because a lot of it went into balancing budgets. The thought was to try and send the letters to see if there is any funding available for this project with it being “shovel ready”. The letters were drafted by Marie Bradley, and she did a wonderful job.

Councilor Lipman stated it was worth asking, and the source of funds may be something other than stimulus funds, such as grants.

Councilor Lipman moved to sign the letters as presented. Seconded by Councilor Hamel. **Motion passed unanimously.**

City Manager Cabanel spoke with a representative from Congressman Guinta’s office last week, and they are aware this letter is coming. The opportunity was also taken to note to the representative that when the Winnepesaukee River Basin Project was started, it was done so with 95% assistance from the Federal Government and it may be possible to get additional assistance with the improvements that need to be made. City Manager Cabanel also made the representative aware of the Colonial Theatre project.

UNFINISHED BUSINESS:

1. WOW Trail
2. Master Plan
3. EPA Update
4. Sewer & Water Master Plan
5. Single Stream Recycling/Concord Co-Op

NOMINATIONS, APPOINTMENTS & ELECTIONS: NONE

COUNCIL COMMENTS: NONE

NON - PUBLIC SESSION: NONE

ADJOURNMENT:

At 8:26 p.m. Councilor Bolduc moved to adjourn. Seconded by Councilor Lipman. **Motion passed unanimously.**

A True Record Attest:

Mary A. Reynolds
City Clerk