



**LACONIA CITY COUNCIL MEETING  
FEBRUARY 24, 2014  
CITY HALL – CONFERENCE ROOM 200A  
7:00 P.M.**

**A G E N D A**

**CALL TO ORDER:**

Mayor Edward Engler called the meeting to order at the above date and time.

**SALUTE TO THE FLAG:**

Mayor Engler invited Brigadier General Donald Bolduc to lead the Salute to the Flag.

**ROLL CALL:**

Deputy City Clerk Anders called the roll with the following Councilors present: Councilor Doyle, Bownes, Lipman, Baer, Hamel and Bolduc. Also present City Manager Scott Myers and Finance Director Donna Woodaman.

**ADOPTION OF MINUTES OF PREVIOUS MEETINGS:**

1. Regular Meeting of January 27, 2014 (tabled from meeting of February 10)

Councilor Bolduc moved to approve the regular meeting minutes of January 27, 2014. Seconded by Councilor Hamel. **Motion passed unanimously.**

2. Regular Meeting of February 10, 2014

Councilor Bolduc moved to approve the regular meeting minutes of February 10, 2014. Seconded by Councilor Hamel. **Motion passed unanimously.**

**CONSENT AND ACTION CALENDAR:     NONE**

**CITIZEN COMMENTS FOR MATTERS NOT ON THE AGENDA:**

**INTERVIEWS:**

**Heritage Commission:** *(3 full member terms and 2 alternate terms expiring)*

1. Pamela Clark - seeking reappointment as a full member for a 3-year term expiring 2017

2. Dorothy Duffy - seeking reappointment as a full member for a 3-year term expiring 2017
3. Mary Jane Hoey - seeking reappointment as a full member for a 3-year term expiring 2017
4. Mary Ellen Boudman - seeking reappointment as an alternate member for a 3-year term expiring 2017
5. Charlie St. Clair - seeking reappointment as an alternate member for a 3-year term expiring 2017

All nominees were in attendance and were interviewed.

Councilor Bownes asked Mr. St. Clair what he finds frustrating about being a member of the Heritage Commission. Mr. St. Clair replied that the Planning Board looks at things very differently than the Heritage Commission; recommendations are made but it is unknown why because of someone disagrees with the recommendation and there is no backing.

Councilor Lipman commented that if exposure is brought to something it can effect public opinion and the experience is now that you it needs to be looked at beyond that. There is a balance between private property interests and the public's interest and some process that incorporates both, without dictating, needs to be found. Mr. St. Clair agreed with this and shared that from his perspective that if someone is coming into a community and purchasing property they should be doing their homework and taking into consideration the public reaction to the plans they may have for the property.

**Library Board of Trustees:** *(2 full member terms expiring; 2 alternate terms vacant)*

1. Robert Selig - seeking reappointment as a full member for a 3-year term expiring 2017
2. John Perley - seeking reappointment as a full member for a 3-year term expiring 2017
3. Craig McKeon - seeking appointment as an alternate for a 3-year term expiring 2017

All nominees we in attendance and were interviewed.

Councilor Bownes asked what kinds of projects the Library Board of Trustees would be looking to see completed short term or long term, as well as commented that the Trustees have done a great job staying in touch with the technology advancements.

Mr. Selig replied that they feel that tutoring areas and lighting in some areas are being looked into for improvements. Mr. Perley added that keeping up with the technology and meeting the needs of the younger users of the Library is an ongoing goal of the Trustees.

Mr. Selig commented that everybody is interested in books in electronic format, as well as audio books, that are received from the State Library. In the future they hope to encourage the State Library to increase their selection.

Councilor Lipman state that he appreciates the willingness to serve that has been portrayed and requested to know if there are any long term succession plans for the Library Board of Trustees. Mr. Selig replied that there are three (3) new members this year and they are looking at things with fresh, new eyes and this is important. These new members have been appointed to a Personnel Committee to review job functions, salaries, and conducting interviews with each member of the staff in order to make recommendations to the Board.

Councilor Baer commented that if it wasn't for the Public Library computer services she would not be a member of the Council. The staff taught her how to use a computer and how to type and send letters when necessary. Councilor Baer feels that the Public Library has taught many more people skills that they may not have otherwise been able to learn.

Mr. Selig commented that the Public Library also has the Ancestry Plus software available to its cardholders to conduct genealogical searches at no cost. This service would be rather expensive for personal use.

Mr. Perley stated that the Library Board of Trustees has seen a 50% turnover in the last few years and it has been beneficial.

**Licensing Board:** *(1 full member term expiring)*

1. Jim Rogato - seeking reappointment as a full member for a 3-year term expiring 2017

Mr. Rogato was interviewed.

**Parks and Recreation Commission:** *(1 full member term expiring)*

1. Mitch Hamel - seeking reappointment as a full member for a 3-year term expiring 2017

Mr. Hamel was interviewed.

**Putnam Fund:** *(1 full member term expiring)*

1. Linda Peary - seeking reappointment as a full member for a 5-year term expiring 2019

Ms. Peary was interviewed.

**Trustees of the Trust Fund:** *(1 full member term expiring)*

1. Donald Flanders - seeking reappointment as a full member for a 3-year term expiring 2017

Mr. Flanders was not in attendance and will be interviewed at the March 10, 2014 meeting.

**COMMUNICATIONS:**                      **NONE**

**PUBLIC HEARING:**                      **NONE**

**PRESENTATIONS:**

1. Veterans Square Traffic Pattern Discussion & Easement Approval Request for Fair Street and Cook Court

Planning Director Saunders reviewed the easement request. This request was made to the applicant because of potential intersection improvements that may be needed in the future to allow for a larger turning radius. The easement document has already been signed by the property owner and now needs to be accepted by the City Council in the manner they would accept a street. The Planning Board and

Public Works Department have submitted recommendations to the Council to accept this right of way easement.

Councilor Baer asked if this would have a cost from the budget. Director Saunders replied that there is no cost other than the recording fee because it is not a purchase of property but an agreement to use the property in the future should the need for intersection improvements be considered. It is understood that Public Works will be performing a study of the intersection this coming spring and based on the study will propose action items to the Council at a later time.

Director Saunders reviewed the proposed intersection change for Veteran's Square. It was noted that the design presented is preliminary. A public hearing would be held and if the public were to come forward against the proposal it would discontinue. (Proposed design change attached)

Director Saunders advised that when this plan was brought forward the Police Department expressed that they had concerns with drivers violating the one-way traffic restriction when exiting Bank of NH and the current plan would eliminate that possibility.

Mayor Engler observed that this is a process issue and tonight they would like general direction regarding priority for this project. Financial information has not been shared at this time.

City Manager Myers commented that preliminary estimates have been looked into. Director Saunders added that approximate figures were requested to determine if the design would be feasible to fund and the estimated value was \$280,000, however as the details change the financial information will change.

Councilor Bownes stated that he is not familiar with this process and when it was developed. Director Saunders replied that approximately two (2) years ago the Congregational Church came to the City because they were considering the reconfiguration of their driveway which would place it too close the current intersection. At that time the City worked with the property owner, keeping in mind the Master Plan proposals, and began looking at revisions to the intersection that would satisfy all aspects. Shortly thereafter the Holy Grail project came forward and it was clear the road was going to need to be torn up to accommodate the new water line. As a cost saving measure it was decided to bring this forward to be done in conjunction with the water line extension. Mayor Engler commented that this would necessitate the work being done this spring because the water line extension will be done before summer. City Manager Myers commented that a base coat could be done with that project and a top coat added when the intersection is complete. Additionally, the Holy Grail closing did experience some delays which may be impacting the schedule for the water line extension.

Councilor Bownes asked what the process is with respect to the Planning Board responsibilities in the process and what other contacts have been made to determine if there is significant public support. Director Saunders replied that the Planning Board's role is to facilitate the public meetings but have no authority to approve or deny the plan; that decision is the charge of the City Council. The hope is to have the Planning Board schedule a public hearing and will reach out to groups, such as the Laconia Main Street Initiative and the Chamber of Commerce, at that time, as well as business owners. If there is not public support it would not continue.

Councilor Baer commented that she has received several phone calls regarding this proposal and they are all opposed to the plan. Rather than going into this in further detail at this time it may be better to refer it to committee.

Councilor Baer asked if a traffic engineer was consulted. Director Saunders replied that \$500 was spent on the plan.

Director Saunders advised that the Planning Board could receive the same presentation at their meeting on March 4, 2014 and would likely schedule the public hearing for the April meeting.

Councilor Lipman stated that he feels that a \$280,000 figure raises concern if the project could be given priority with other happenings with the budget. Councilor Lipman asked what it would take in staff time to further develop the plan. Director Saunders replied that gathering public input by holding three (3) to four (4) additional public meetings and taking the outcome back to the traffic engineer. City staff would then work with the traffic engineer to develop the final plan as well as for making proposals for funding.

Councilor Lipman asked for an estimate of additional costs for staffing and engineering. City Manager Myers replied that engineering is approximately 10% of the overall cost and staff time would be as needed. It is not projected that significant staff time will be used. Councilor Lipman stated that this would then be a \$300,000, or more, project. City Manager Myers concurred and added that the direction needs to be given tonight to determine if it is a priority.

Councilor Hamel commented that this would be a "back burner" item for him at this time when looking at the upcoming budget, however he would be interested in hearing what the public thinks at the Planning Board level.

Mayor Engler asked if this plan, from a traffic standpoint, addresses the three-way stop at New Salem Street and Pleasant Street. Director Saunders replied that was not because the intersection works around the railroad tracks which cannot be stopped on and the intersection needs to be as it is. Mayor Engler commented that with the extension of the WOW Trail there is going to be significant foot traffic encouraged in the area and most pedestrians are not going to know that those coming from there left do not have to stop. Director Saunders commented that they did not receive any feedback from the WOW Trail but can make sure that if this does move forward that they interact accordingly.

City Manager Myers advised that there is \$30,000 that has been committed for the Holy Grail water line extension, with the City committing \$30,000, and with the section of the road being fairly new and requiring new paving; these can be considered leveraged funds. It may be worth continuing this through the phases of public input to determine if this is supported and a decision can be made at a later time.

Councilor Lipman stated that getting the public input is worthwhile but having the project coincide with the water line extension is unrealistic.

Councilor Bolduc commented that he has heard from a few residents that have said they don't want the intersection changed at all. Mayor Engler asked if there is a reason they do not want to see a change. Councilor Bolduc replied that it is working the way it is and moving the flag pole is not favored either.

Mayor Engler asked if there has been discussion with Veteran's groups regarding the proposed moving of the flagpole. Director Saunders replied that they have reached out to several folks regarding the flag

pole and they did not seem concerned that it would be moving; they liked the idea of having it in an area that was accessible to the public.

Director Saunders stated that she did hear today that there is a historic fire cistern under the flag pole that will also need to be handled.

Councilor Bownes commented that he feels getting the public input and having the Planning Board process done would a good idea and asked if there were any safety concerns that are motivating the proposed change. Director Saunders replied that there are, particularly the illegal movement that is of concern to the Police Department and the difficulty there is when crossing the very long crosswalk.

Mayor Engler asked each Councilor to prioritize the project as low, medium or high. Councilors Bolduc, Hamel, Baer, Lipman and Doyle ranked this project low and Councilor Bownes stated he did not have enough information to make a determination.

City Manager Myers confirmed that the Council would like the Planning Board to continue with the public hearing process to gather public input. Mayor Engler confirmed this is the direction to take.

Councilor Hamel asked if any parking spaces would be lost with this plan. Director Saunders replied that two parking spaces would be gained because the Congregational Church will be returning parking spaces to the City with the reconfiguration of their driveway.

Mayor Engler thanked Director Saunders for her proposals.

## 2. Central Fire Station Construction Project & Operational Update

City Manager Myers advised that this has been a long discussed project for the City. With the change in apparatus, functions, and operations it has become necessary to look at moving this project forward. It is the intent to place this item in the budget but it is in the planning stages at this time and Council input is needed.

Chief Ken Erickson, Assistant Chief Kirk Beattie and Deputy Chief Charlie Roffo presented the proposed construction project for the Council. (Presentation attached)

Councilor Lipman asked where the vehicles that are being moved to the Central Station in the plans are being housed currently. Chief Erickson replied that they are at the Lakeport Station. Councilor Lipman asked why the vehicles would be moved for storage when there is a location to store them and it could reduce the cost by not building the additional area for them. Chief Erickson replied that the intention is to get rid of the Lakeport Station and having the apparatus at Central Station will be more beneficial to response.

Councilor Lipman asked if the intention is to sell the Lakeport Station as surplus property to use the proceeds toward the Central Station project. Chief Erickson replied that that is not his intention nor his decision but that he has no use for the facility, which is minimally heated and has no running water. The building was built in 1955 and is a great building but from a functional standpoint it is not predicted that it will be used.

Councilor Baer asked if the paving in front of the station is included in the total estimate. Chief Erickson replied that it is and was added to the capital budget in the event the overall project was not funded this fiscal year because it is in desperate need. City Manager Myers commented that there is much more paving needed with the proposed project and would be beneficial.

City Manager Myers asked if there would be gained efficiencies with the insulated additional storage that is proposed. Chief Erickson replied that there is an insulating factor and the energy audit conducted three (3) years ago showed there was deficiencies in the slab floor and recommended that insulation be done. Currently when the bay doors are opened the sleeping quarters temperature drops drastically and continuing to have the sleeping quarters above the apparatus bays is not a good idea if there is space to do so.

Councilor Bolduc asked if there would be overhead doors on both ends of the end unit. Deputy Chief Roffo replied that it will not and the rear of the structure will abut a hill area. Councilor Bolduc commented that everything would need to be emptied out to get to something in the back. Deputy Chief Roffo agreed but noted that this would be for reserve equipment.

Councilor Hamel asked what the extent of the renovation in the old building will be. Chief Erickson replied that in the apparatus area there would be all new electrical and plumbing, the flat roof would be reconstructed to a peak roof, replacing forced hot water systems to gas furnaces, and new windows. The estimate is \$1.3 million but costs will try to be reduced. Deputy Chief Roffo added that he and Assistant Chief Beattie did a walk-through of the facility recently and documented areas that did not need to be replaced or repaired, such as the tile floors, which will result in cost savings.

Councilor Hamel asked if the brick is going to be replaced on the existing building. Chief Erickson replied that this is being discussed because of the condition of some of the existing veneer and it is unsure if the damaged ones can be replaced or if they all need to be taken down. There was also discussion of removing the brick and adding insulation, then replacing the brick but that has discontinued because there will still be significant heat lost through the slab floor. Energy efficiency will be focused on the new addition.

Mayor Engler asked if the setback from the New Beginnings lot has been reviewed. Deputy Chief Roffo replied that there will still be a setback but that the drawings presented are from him and not an architect at this time. There is a grassy hill that is City property and the anticipation is that the outside wall will be fashioned as a retaining wall for the hill and the trees will be freshened up.

Councilor Lipman asked what the end point was for the presentation this evening. Chief Erickson replied that no decision is being looked for and that this presentation is to give the Council and overview of the proposal. City Manager Myers added that the intent was to just give an overview and allow for multiple functionality of the administrative wing for inspection services, possible server relocation, and other possible efficiencies.

Chief Erickson commented that there is an emergency Operations Center that will also be used as a community room. There has also been a considerable amount of accessible parking added with the proposal which will eliminate the community from crossing the apparatus bays to park.

Councilor Hamel asked if a "design and build" type of construction can be looked into, meaning the contractor that designs the project builds the project. Over the last several years the Council has had a

lot of experience in building projects and suggested that it not be done cheap; materials and efficiencies need to be looked at and future outlooks need to be taken into consideration. Chief Erickson advised that the structure will be a steel frame with a brick exterior, very similar to how the Huot Career Center was built, so they are coming back in a few years with problems that could have been avoided.

Councilor Lipman asked if the cost figures being presented include the design and engineering costs. Deputy Chief Roffo referred to the last page in the informational packet under Soft Costs. Councilor Lipman commented that design and engineering costs at 4% is low. Councilor Hamel added that the typical cost is 7-8%.

Councilor Hamel commented that the renovation cost per square foot is general more because of the unknowns that can be found. Chief Erickson replied that he cannot envision having the cost of \$100 per square foot. Councilor Hamel asked if there is asbestos abatement needed. Chief Erickson replied that he does not believe there will be and that tiles are being retained on the third floor because they are in good condition.

Councilor Bolduc confirmed that the electrical and plumbing will be surface mounted. Chief Erickson confirmed they will because the use of the third floor does not require having them run through the walls.

Councilor Bownes asked what the difference is between a “design and build” and what has been presented. Chief Erickson replied that this design has been presented to an engineer and they have given the cost estimate. Councilor Lipman relayed that the experience has been that the architectural estimates have not been a number that was ultimately looked at. There are pros and cons to each method.

Councilor Lipman commented that a more accurate estimate will be needed before a decision can be made because infractions can have a significant impact.

Councilor Baer asked if the fire department received many calls during the cold weather regarding loss of heat sources. Chief Erickson replied that they had some calls but most were from the oil delivery crisis. There was a significant issue with one residence with no heat and children living in it but that was remedied with the assistance of the Welfare Office.

Chief Erickson expressed that he is concerned with the higher than usual number of deaths from carbon monoxide poisoning and advised residents to clear their venting systems from snow. They do not get warm enough to melt the snow.

**MAYOR’S REPORT:      NONE**

**CITIZEN REQUESTS TO COMMENT ON CURRENT AGENDA ITEMS:**

Charlie St. Clair addressed the Council. Mr. St. Clair commented that he is against the proposed changes to the Veteran’s Square intersection and that when he hears that pedestrian safety is called to concern he looks to other areas of the City that have the same problem, such as the other side of the circle on Pleasant Street. As far as people coming out of the bank, Mr. St. Clair does not see this being a solution because if people want to ignore the signs and travel that way they are still going to do so. Regarding the flag pole, Mr. St. Clair feels it should remain in the current position because it is highly visible.

John Moriarty addressed the Council. Mr. Moriarty thanked Councilor Bownes for his comments about the Public Library and noted that the Technology Committee is always looking beyond the latest technology to the future.

Mr. Moriarty commented that the Citizen's Bank improvement grant applications were all due February 14, 2014. In order to avoid any conflicts of interest outside people have been selected to choose the grant recipient. They will be meeting on March 6, 2014 and announcements are anticipated shortly after.

Lastly, Mr. Moriarty commented that he saw the plans last week on the Veteran's Square improvements and has not had an opportunity to distribute them to the Laconia Main Street Initiative members; this will be done shortly. Speaking personally Mr. Moriarty feels there are roads in need of repair and are a higher priority than the proposed improvements at Veteran's Square.

Drew Seneca, owner of the Downtown Deli and Vice President of the Laconia Main Street Initiative, addressed the Council. Mr. Seneca advised that he is in agreement with Mr. St. Clair and Mr. Moriarty regarding the Veteran's Square proposal and added that if something is broken, don't fix it. No problems have been brought forward regarding that intersection and the further back you stand from a flag pole the better view you're going to have.

#### **COMMITTEE REPORTS:**

**1. FINANCE: (Lipman, Hamel, Baer)**

- a) WOW Trail Fund
- b) Downtown TIF Financing

**No report on any item in committee**

**2. PUBLIC SAFETY: ( Baer, Doyle, Bownes)**

- a) Fair St./Court St. traffic problems and accidents

**No report on any item in committee**

**3. GOVERNMENT OPERATIONS & ORDINANCES: (Doyle, Bolduc, Bownes)**

- a) Energy Committee
- b) Vending and Licensing Fees
- c) Chapt. 119, Building Construction regarding signed architectural plans for residential units
- d) Proposed Ordinance Governing the Discarding of Furniture and Other Personal Items Curbside

**No report on any item in committee**

**4. PUBLIC WORKS: (Bolduc, Baer, Bownes)**

- a) Ordinance Amending Chapter 221, Vehicles and Traffic/Parking on Sublawns
- b) Proposed ordinance regarding vehicles over 18,000 lbs. and engines idling between the hours of midnight and 6:00 a.m.

- c) Proposed ordinance regarding large vehicles parked on City streets and sidewalks

**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 Myers reviewed the Recycling Report and Monthly Economic Development Report.

A proposed budget schedule for budget presentations was presented. This proposal included the City Manager's proposals on March 24, a special meeting on March 31 at 6:00 p.m., and holding special meetings at 6:00 p.m. on April 14, April 28, May 12, and May 27, 2014. This would allow for a follow-up and general budget discussions on June 9 and have the budget scheduled for adoption on June 23, 2014.

Councilor Lipman requested modifying the schedule to begin at 7:00 p.m. on March 31, 2014. There was no objection to this change.

City Manager Myers advised that there is a Main Street Bridge (#laconiamainstbridge) informational meeting last Tuesday and there was a small but good turnout. There will be a section on the City website going live in the next few weeks and will contain information and maps about the project. The maps will be downloadable for businesses to share with their customers and City staff is dedicated to working with the Downtown businesses to ensure that any issues that may arise are treated with priority.

Senate Bill 333 (SB 333) has passed the Senate (24-0) and would allow disallow the assessing of year round campers on campground lots to be taxed. This would result in a \$10 million loss in property value to the City which equates to \$200,000 of taxable income. At this time the SB 333 has not been scheduled in the House but will be watched. City Manager Myers requested guidance from the Council regarding what the City would like to do moving forward.

Councilor Hamel asked if these are on permanent foundations or are they on wheels. City Manager Myers replied that the definition of and RV is either a motorized vehicle or something that is less than 400 square feet and can be moved on a single axle trailer. Many of these are fairly significant structure with pitched roofs with shingles, decks built on and sunrooms but because they are able to be moved they are considered and RV. This does not impact every community in the State but it does impact the City.

Councilor Bownes commented that when speaking on this bill we would need to be careful because this legislation was brought forward because so many municipalities treat these structures so differently. This has been the problem with perception and without consistency it will continue to be. City Manager Myers replied that this is permissible from case law regarding a campground in the City from many years

ago when it was decided that that if it is not being moved it is taxable. None of these RV's are registered for the road and there would be no registration fees coming in, and if this were to pass they would not be paying a property tax and there is an impact to City services from these campgrounds. Additionally, it was brought forward by the Tax Collector that many of these campgrounds have sewer accounts that are billed and cannot be liened if they are not issued a property tax bill which would result in having to pursue the non-payments through the small claims process.

Councilor Lipman commented that the legislative opportunity is to identify key terms so that the extreme cases are addressed and the others can also be addressed through other means, possibly through motor vehicle registration collection. City Manager Myers replied that a recommendation may be to refer this to Ways and Means to study further.

Councilor Lipman commented that if we are going to battle this we need to do so with some finesse and not with the expectation that we can knock the whole bill down. City Manager Myers agreed and concurred that some of the gaps in the proposal need to be filled. City Manager Myers referenced pictures of some of these structures that are clearly permanent and not being moved. Mayor Engler added that from the photos he has seen they are not all older models but many are newer, state of the art mini-houses.

Mayor Engler concluded that the City should aggressively pursue opposition to SB 333. Councilor Lipman added that this needs to be done with finesse. City Manager Myers replied that he understands the request and will do so.

City Manager Myers reported that the Frank Bean Road former dump site report has been presented to the City. Some statistical information needs to be refined and the City will be working with the State on the clean-up process in this construction season. A number of scenarios are being investigated but nothing firm has been decided at this time.

City Manager Myers advised the Council that staff has been working on implementation of streamlined processes for the public for better customer service. One of these areas was with the Motorcycle Week application process, given the name "Fast Track", and involved the Planning and Licensing Departments. The option was given to any property owner that had a prior Site Approval for the event with no changes from prior years to submit the application and fee and not be required to attend the review meeting for approval. This has been beneficial for those that are seasonal and may not be in the State at the time of the meetings. The Fast Track process has resulted in 25 applications being submitted and 24 of them were approved; the last site required health officer follow up and will be approved at the next meeting.

Regarding the current budget, City Manager Myers explained that across departments they are in relatively good shape and there may be some funds left over. Finance Director Woodaman explained that in reviewing the revenues the City is on target to meet the expectations which included some anticipated increases in particular areas. It is too early to predict where each department will end up but there is expected surplus in the Legal line and there was also a Workers Compensation premium holiday again this year. Based on the current enrollments in the health insurance there may be some left over in this line item and the Contingency has not been used at this time and has a balance of \$50,000. There is a favorable amount of approximately \$100,000 in the current budget at this time.

City Manager Myers explained that the new construction value is projected at \$15 million, which is \$2 million less than last year, and will affect the tax cap equation. The County is still working through their budget and is not subject to the tax cap therefore when the County portion is calculated it may be more.

The proposed Commissioners budget shows a 4% increase and if passed would exceed the projected amount under the tax cap. The payment for Lakes Region Mutual Fire Aid (LRMFA) has also been removed from the County budget and is now being direct billed through the fire department at a cost of \$130,000.

The City amount of increase is capped at \$350,000 with the School amount of increase being capped at approximately \$500,000 when combining the local and state portions. Union negotiations are ongoing with the City unions at this time but placeholders have been made for reasonable assumptions for COLA's and step increases. City Manager Myers stated that he is committed to infrastructure and capital improvements at a reasonable level with the largest share going to roads while not ignoring other capital needs that there are, such as Frank Bean Road, the Main Street Bridge and the Central Fire Station.

In regard to the SAFER grant and establishing a reserve account to help fund the firefighters, this item has been looked into and a resolution has been drafted. The hope is to have the resolution on the next agenda for discussion. The funding for five (5) weeks of salary and benefits for the four firefighters will be included in the budget proposed by the City Manager and additional unexpended funds will be used to fund the reserve account once established.

Councilor Baer asked if the City Manager is stating that the four positions are going to be retained. City Manager Myers replied that this is not what he is stating and that if the Council would like to remove the positions at the conclusion of the next fiscal year that is there option to instruct him not to place the salaries and benefits into the budget. City Manager Myers advised that he does feel it is too early to make that decision.

Councilor Hamel asked if, with the increases that are coming forward, it would be a good idea to request that departments discontinue spending until year end to see if recouping funds can be made. City Manager Myers replied that he can do this but it would mean that money needed to roll into the Fund Balance would not be there and would not replenish what is taken. Department heads do a great job of not spending up to their budget and this was shown last year when \$600,000 flowed back into the Fund Balance. The School budget returned approximately \$30,000 and did request to retain \$100,000 of surplus to fund the remaining needs for the Huot Center project.

City Manager Myers added that public safety is first and foremost and cuts cannot be made in this area.

Councilor Lipman commented that he does not have the picture that he was hoping to have. Subjectively it seems that the City is in the whole before the process begins. City Manager Myers replied that the unknown amount of the County has an impact and that he continues to meet with department heads throughout the week to refine budgets and make adjustments.

Councilor Lipman stated that if the budget were to remain flat and then taking into consideration the other factors, such as health insurance, SB 333, and the potential County increase, would it use the amount of increase under the tax cap. City Manager Myers replied that simple math says that it will and departments were requested to make non-salary requests of no more than 2%. There have been conservative increases in other revenues, such as motor vehicle registrations, and the Rooms and Meals Tax distribution should be reinstated. If significant cuts were needed there would be funding cuts to capital projects, such as the Central Fire Station, the GIS and inspection software, roads, servers in the computer system would not be upgraded; this would not be happening in smaller line items.

Councilor Baer asked where the Winnepesaukee River Basin Project comes into play. City Manager Myers replied that this falls under the Sanitary Sewer Fund which is based on user fees. The City is not

looking at a large amount for capital projects this fiscal year. An increase went into effect on July 1, 2013 but was not billed until three (3) months later and another increase will take effect on July 1, 2014. Steps have been made in the right direction and the trend is comfortable.

Councilor Lipman replied that he is trying to get the big picture and would like to have a realistic view. City Manager Myers commented that he will get the budget to the Council on March 24, 2014.

**NEW BUSINESS:**

1. Moulton Opera House Drape

City Manager Myers advised that the Historical Society is in possession of the drape at this time and would like to gift it to the City to facilitate the application of the Moose Plate Grant application.

*Councilor Baer moved to accept the Moulton Opera House Drape as a gift to the City. Seconded by Councilor Bolduc.*

Councilor Bolduc commented that he feels this is something that needs to be preserved for the City and the displaying would be a wonder for the City.

Brenda Kean, Director of the Laconia Historical and Museum Society, explained that the drape is nearly 28 feet long and 19 feet tall with the main portion of the drape is about 12 feet, with the majority of the drape being of the sky. A preservation group, Curtains Without Borders, has recommended that this curtain be displayed in a way that the main portion will be visible to the public. The Executive Director of Curtains Without Borders stated that this is the most exquisite example of a theatre drape she has ever seen.

***Motion passed unanimously.***

2. Easement Approval Request for Fair Street and Cook Court

*Councilor Hamel moved to accept the easement entitled "Faircourt Plaza A Condominium, 30 Cook Court, Laconia, Belknap County, New Hampshire" dated August 198, 2013 and recorded as Plan Number L73-2013 at the Belknap County Registry of Deeds. Seconded by Councilor Bolduc. **Motion passed unanimously.***

3. Proposed Special Budget Meetings

*Councilor Lipman moved to schedule a special meeting on March 31 at 7:00 p.m., and holding special meetings at 6:00 p.m. on April 14, April 28, May 12, May 27, and June 9, 2014 for budget presentations. Seconded by Councilor Hamel. **Motion passed unanimously.***

4. Proposed discontinuance of the Municipal Primary Election discussion

City Clerk Reynolds addressed the Council. Clerk Reynolds explained that it was requested by the City Manager in September of 2013 to gather information relative to the municipal primary elections that are held in September of each odd numbered year. In the last decade, following the elimination of the

caucus and discontinuance of partisan elections, voter turnout at municipal primaries has declined to as low as 6%. When researching other cities throughout the State it was found that only two others, Keene and Manchester, continue to have a municipal primary. In the City of Keene there is a provision that allows for the City Clerk to deem a primary election unnecessary if there are less than two candidates filing for an office.

Mayor Engler asked if the City municipal primary would be held on the same day as State elections. Clerk Reynolds that this is not statutorily permitted.

Mayor Engler explained that to have this matter placed on the ballot in November it would need to either be referred to the Government Operations and Ordinances Committee for further review, or examined by the Council as a whole. Clerk Reynolds recommend that the item be referred to committee because it is not just one section of the Charter that would need to be corrected.

Mayor Engler asked if this would include the School Board primary as well. Clerk Reynolds advised that this would be the proposal but the School Board would be consulted.

Clerk Reynolds requested that this item does not wait until after budget hearings are over to schedule the committee meeting because there are several items that need to be addressed. Mayor Engler requested that the Committee Chair, Councilor Doyle, have a date for the meeting at the next Council meeting and referred this item to the Government Operations and Ordinances Committee for review.

#### **UNFINISHED BUSINESS:**

##### **1. Proposed Ordinance Amending §235-18. Floodplain District**

*Councilor Baer moved to approve the proposed ordinance amending §235-18, Floodplain District. Seconded by Councilor Bolduc. **Motion passed unanimously.***

##### **2. Proposed Ordinance Amending §235-40 (c). Cluster PUD**

*Councilor Hamel moved to approve the proposed ordinance amending §235-40 (c), Cluster PUD. Seconded by Councilor Doyle. **Motion passed unanimously.***

##### **3. Proposed Welfare Guideline Revisions**

Finance Director Woodaman explained that she received a requested amendment from Councilor Bownes this afternoon and has not had the opportunity to have the amendment reviewed by Legal Counsel. It was requested that this item be tabled until the March 10, 2014 meeting.

*Councilor Bolduc moved to table the Welfare Guideline Revisions to the March 10, 2014 meeting. Seconded by Councilor Lipman. **Motion passed unanimously.***

4. Milfoil Treatment Funding Request
5. WOW Trail
6. Master Plan
7. EPA Update

8. Sewer & Water Master Plan
9. Single Stream Recycling/Concord Co-Op/Solid Waste Disposal Cost Reduction
10. Strategic Planning/Goal Setting

**NOMINATIONS, APPOINTMENTS & ELECTIONS:**

**Heritage Commission:** *(1 full member and 1 alternate vacancy)*

1. Catherine Tokarz - seeking appointment as a full member for a 3-year term expiring 2017

*Councilor Bolduc moved to appoint Catherine Tokarz as a fill member of the Heritage Commission for a 3-year term expiring 2017. Seconded by Councilor Baer. **Motion passed unanimously.***

**Highway Safety Commission:** *(2 staff positions expiring; 1 general public position vacant)*

1. Lt. Al Lessard, Laconia Police Department - seeking appointment as a member for a 3-year term expiring 2017
2. Shanna Saunders, Planning and Zoning Department – seeking reappointment as a member for a 3-year term expiring 2017

*Councilor Lipman moved to appoint Lt. Al Lessard and Shanna Saunders to the Highway Safety Commission for a 3-year term expiring 2017. Seconded by Councilor Hamel. **Motion passed unanimously.***

**COUNCIL COMMENTS:**

Councilor Bolduc stated that he would like to see signs placed at the remote recycling locations requesting users to break down boxes before placing them in the containers. City Manager Myers replied that he will look into this.

**NON - PUBLIC SESSION:**                      **NONE**

**ADJOURNMENT:**

*Councilor Bolduc moved to adjourn at 9:59 p.m. Seconded by Councilor Hamel. **Motion passed unanimously.***

Respectfully Submitted:

Stacy Anders  
Deputy City Clerk