



**LACONIA CITY COUNCIL
BUDGET WORK SESSION
MAY 6, 2013
CITY HALL – CONFERENCE ROOM 200A
6:00 P.M.**

CALL TO ORDER:

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

SALUTE TO THE FLAG

Mayor Seymour let the Salute to the Flag.

ATTENDANCE:

The following Councilors were in attendance: Councilor Doyle, Lahey, Lipman, Baer, Hamel and Bolduc.

Also in attendance: City Manager Scott Myers, Finance Director Donna Woodaman, Director of Parks, Recreation and Facilities Kevin Dunleavy, Fire Chief Ken Erickson, Deputy Fire Chief Deb Pendergast, Deputy Fire Chief Shawn Riley, Police Chief Chris Adams, Captain Bill Clary, Captain Matt Canfield, Police Commissioners Armand Maheux, Warren Clement and Douglas Witham

PARKS, RECREATION AND FACILITIES (Pg. 110 - 121)

Director Dunleavy highlighted the changes in the proposed budget.

In regards to salaries, Director Dunleavy advised the Council that there will not be staffing of lifeguards at Opechee Cove or Bartlett Beach and this is consistent with years past. It would be the recommendation that to continue with this practice moving forward.

Director Dunleavy advised that there has been a requested increase in the Telephone line because the department has moved away from the use of radio transmission and began using push-to-talk cellular phones as an alternative. This has allowed for consistent contact with employees.

An increase has been requested in the Lights-Power line to accommodate additional cost from the installation of lights at the sledding hill on South Street, operating lights at Rotary Park, and lights at the skating rinks.

There has been a decrease in the Fuel line to reflect favorable rates received. A slight increase in the Printing line is attributed to the replacement of deteriorated signage throughout City parks. An increase for material cost for facilities maintenance can be identified in the Maint-Buildings line.

Director Dunleavy explained that the irrigation system at Opechee Park will be completed very soon and was funded in the current budget. This has allowed for a reduction in the Maint-Grounds line. There have also been decreases in the Uniform Allowance and Miscellaneous Items to reflect historic costs. The O/S Contract line has been increased due to some increases with tree trimming beyond department capability.

Director Dunleavy explained that overall the proposed operating budget has increased by approximately \$10,000.

Mayor Seymour asked is the increase in the Equipment line for a new mower is for a replacement or an additional piece of equipment. Director Dunleavy replied that a walk behind mower was taken out of service last year and the replacement cost will be approximately \$6,000.

Councilor Lipman asked for an explanation of the Vehicle Rental line. Finance Director Woodaman explained that each vehicle is owned by the Internal Service Fund (ISF) and each department is charged for fuel, maintenance and repairs for each vehicle. The budget amount is an estimate of what the projected usage will be and is adjusted at year based on the actual usage. This not a "rental" of a vehicle but is a charge based on equipment usage. This also includes an estimate of depreciation.

Councilor Lahey commented that in the last week several Councilors have had the opportunity to visit Opechee Park and the field is not in the condition that they feel it should be. Councilor Lahey asked what Director Dunleavy would do differently if he has an unlimited fund for this field. Director Dunleavy replied that he would not do anything differently and he is following a timeline/schedule that he has developed after attending educational conferences on the process. One major mistake is to start the irrigation too early and this results in overwatering which does not promote root growth; irrigation will be starting earlier than prior years and should be this week. Regarding maintenance to the field, two rounds of thatching has been completed as well as aerating and dragging the field with over seeding beginning this week as well. The maintenance plan has been provided to the City Manager and can be made available to the Council if they would like.

Councilor Lahey asked if the field has been fertilized. Director Dunleavy replied that it has and will be done again in approximately six weeks.

Director Dunleavy addressed the concern that comes up surrounding the clover on the field. Last year it was treated and the results were favorable. The clover will be evaluated in the beginning of June and it may be addressed through spot spraying rather than broadcast spraying.

Councilor Doyle asked why clover is a concern. Director Dunleavy replied that clover is not as durable as turf grass and has been known to be slippery, attract bees and diminish the aesthetics of the field. Another possibility is the grass turning brown.

Director Dunleavy reviewed the City Hall Maintenance budget. Adjustments to the utilities were reviewed as reductions; these were reduced because of historical information and favorable rates that the City was able to acquire. An increase in Maint-Building is attributed to the need to maintain timely repairs and increased cost of product.

Councilor Baer asked if the City Hall Maintenance was covered under the previously discussed budget. Director Dunleavy explained that the previous discussion was regarding park houses and facilities and that City Hall, the Community Center and the Police Station are each budgeted separately.

Councilor Lahey asked what decision was made regarding the Leavitt Park roof. Director Dunleavy explained that he has been in touch with the Planning Department to ensure there are no architectural regulations that need to be followed and the plan is to proceed with the metal roofing because the impact would be minimal.

Director Dunleavy reviewed the Community Center Maintenance which also shows decreases in utilities due to favorable rates. The Supplies line was also decreased to reflect actual usage.

The Police Station Maintenance is also reflective of decreases in utilities and supplies.

City Manager Myers explained that at the time budgets for each department were being compiled the electric rates had not yet been determined and a favorable rate was received and adjustments were made throughout the budget.

Councilor Hamel asked if the Police Department fuel is gas or oil. Director Dunleavy replied that it is gas.

Director Dunleavy reviewed CIP requests totaling \$960,000. The construction phase of the Weirs Community Park is the priority item and, if funding becomes available, could begin immediately. The Opechee Park House construction is also requested at \$110,000, as well as Wyatt Park renovations at \$110,000, City Hall Window Replacement at \$55,000, Endicott Rock Park Beach Engineering at \$50,000 and Leavitt and Memorial Park Tennis Courts at \$52,000. From the ISF there has been a request submitted for a ¾ ton truck with a plow and utility bed for \$40,000.

Mayor Seymour asked if the Building Trades at the Huot Center would be involved in the Opechee Park House construction project. Director Dunleavy replied that he has been in discussion with the instructors and the plan is to utilize the students as much as possible.

Councilor Lahey asked if the Parks & Recreation Commission has voted in favor of the Opechee Park House construction project. Director Dunleavy replied that they have. Councilor Lahey asked why the existing structure (currently the bathhouse) cannot be used. Director Dunleavy replied that it is small and is currently used for the Opechee Day Camp program throughout the summer months. The structure does not have a heating system which also hinders year round use.

Councilor Lahey commented that a new building should not be built using tax payer dollars so an independent association can utilize the space for rental and have an income. There are businesses in the private sector that could benefit from the space not being rebuilt. Councilor Lahey added that he is surprised that the Commission is in support of this project. Director Dunleavy replied that he cannot speak for the Commission but that they did vote for the CIP to move forward as presented to them. Director Dunleavy advised that there are associations for each park house in the City that have been in existence for many years and have a substantial history. The mission of the Opechee Park House was to not only provide a space for functions but to also return some of the revenues back to the park by means of improvements.

Councilor Baer commented that it is her understanding that the revenue for the park house had been low prior to the demolition of the building. Finance Director Woodaman replied that the usage had decreased because the building was in such a poor state and wasn't safe. Director Dunleavy replied that he could supply this information if the Council would like. Councilor Baer added that groups and events

did find other places to hold them, including the City elections, and at a time when funds are limited a new building might not be a wise idea.

Director Dunleavy commented that, based on the community response he has received, there is a strong demand for the facility to be rebuilt. The types of group that utilized the facility include the Belknap Bowman for over 50 years, condominium association groups for meetings and wedding receptions or parties.

City Manager Myers commented that in the budget for Elections the Council will note that there is an increased expense to fund police detail at the schools for elections and if voting could be brought back to the park house it would save a significant amount of money. Although this should not be an overriding reason to move this project forward it should be considered.

Mayor Seymour asked if the \$110,000 for Wyatt Park improvements is the amount needed to cover all remaining repairs and upgrades. Director Dunleavy replied that it is.

Councilor Baer commented that it would make her feel more secure if she could see the allocation for Wyatt Park on paper. City Manager Myers replied that the funds are in the current budget and it can be seen there. Director Dunleavy added that the fund allocated in the last budget includes many minor improvements but larger improvements, such as playground equipment, cannot be funded with the prior allocation.

Councilor Hamel stated that he would like to consider bonding the several improvement needs for the parks, including what has been requested at Wyatt Park, and allow for an outlook on improvements. This would also allow for the expense to be spread out over several years of taxes and not just the current. If this is done the current \$50,000 allocation can be taken out of the current budget and used to offset the tax rate or fund an area with deficit.

Councilor Hamel commented that he recalls the replacement of the pickup truck being funded before and something else was replaced. When a CIP request is made and approved it needs to be followed. Director Dunleavy assured the Council that if this is approved the purchase would be exactly what is approved. City Manager Myers added that this could have been before Director Dunleavy and if there were changes it would come back to the Council to explain why.

Councilor Hamel stated that the Fire Department did the same thing and purchased a pickup truck rather than SUV as approved. City Manager Myers advised that we can discuss this during the Fire Department budget.

Councilor Bolduc commented that the tennis court improvements at Leavitt Park are necessary. There is a height difference from one end to the other that inhibits use of the court.

Councilor Baer commented that the estimate for the engineering for the next phase of the sand migration study was lower than requested. Director Dunleavy explained that at the time CIP was submitted the estimate had not been received and this item may be reduced to the actual cost.

Director Dunleavy explained that the Smith Track repairs were discovered after the CIP process was complete. An evaluation has been done by an engineer and the hope is to get a bid in place and begin the work as soon as possible. Due to the timing and contractor availability the repair will be completed toward the end of summer and beginning of fall. City Manager Myers added that the repair would be

funded by bonding with the Weirs Community Park cost; this would be a 10 year bond because of the life of the asset. This can be discussed in detail at a later date.

Mayor Seymour thanked Director Dunleavy for his presentation.

Don Richards, representing the Weirs Park Association, encouraged the Council to bring the Weirs Community Park to reality. There have been decades of effort to make this happen and now is the time.

Ken Dyrsten (237 Hilliard Rd) commented that the Weirs Community Park has been a working effort for over 40 years. The park would include walking trails, a playground area and a small amphitheatre. Mr. Dyrsten encouraged each Councilor to support the project and thanked them for the service they are providing the City.

FIRE DEPARTMENT - (Pg. 54 - 63)

Chief Erickson invited Deputy Chief Pendergast to address the Council. Deputy Pendergast advised the Council that the City has been reapproved for the SAFER grant funding in the amount of \$642,028. This was achieved with the help of many local and federal contacts. Mayor Seymour thanked Deputy Pendergast for her efforts with this process.

City Manager Myers commented that acceptance of the SAFER grant will be presented to the Council at the May 13 Council Meeting. City Manager Myers also thanked the many officials that assisted with the process.

Chief Erickson reviewed a prepared presentation (see Attachment #1).

Chief Erickson advised the Council that the Lakes Region CERT team has lost State funding through Homeland Security. They are a huge benefit to the City during any major event. Chief Erickson asked the Council to consider a \$10,000 funding allocation for Lakes Region CERT team because they are a great benefit to the residents of the City.

Deputy Pendergast advised the Council that FEMA funding was received by the City for technical rescue training. Fire fighters from the City attended approximately 1,000 hours of training and received \$30,000 of education that the department would not have been able to provide.

Deputy Chief Riley demonstrated a Lucas CPR device that has been purchased by LRGH and distributed to area fire departments. The City has received two devices and will assist in uninterrupted CPR when needed. Deputy Riley advised the Council the devices meet the American Heart Association standards for CPR application and increases the quality of service that the Fire Department is able to give. Without LRGH the City would not have these devices and Deputy Riley thanked them for the contribution.

Chief Erickson also played a video of a structure fire on Gilford Avenue to demonstrate to the Council how quickly the Fire Department responds to an incident. The video also depicts how quickly a fire spreads and can involve building.

Chief Erickson reviewed the operating budget of the Fire Department and noted all areas of increase or decrease.

Councilor Hamel noted a 6% increase to the overall budget, which is higher than any other department, and asked why it is so high. City Manager Myers explained that not all benefits, including retirement and health insurance, are reflected in the presented budget for each department. In others, such as Fire and Police, the amounts are listed separately. This contributes to the large percentage increase because the retirement system took 2/3 of the tax cap allowance.

Councilor Lipman asked how the SAFER grant would affect the budget. City Manager Myers explained that no adjustments have been made to the budget because of the late approval. City Manager Myers also reminded the Council that that intention of the grant is to provide adequate levels of staffing and increased response time for the Fire Department. There may be an opportunity for minimal impact for the remainder of the fiscal year but that is dependent on the hiring process.

Councilor Lipman asked how the funds will flow into the City. Deputy Pendergast replied that the City would request draw downs but she is unsure what frequency this will be done. This information will be available when the use of the grant begins. Deputy Pendergast advised the Council that there is an amendment period to make adjustments to the amount requested based on increases to health insurance or contracts.

Councilor Lipman commented that if a veteran were to be hired and additional year could be added to the grant. Deputy Pendergast replied that at this time there are no veterans on hiring list; one that was interested has obtained employment elsewhere.

Councilor Lipman added that the expectation with the grant is that a long range plan will be developed to accommodate the increased staff. City Manager Myers replied that the Council will be provided with regular updates on the management of staffing levels and how it is affecting the budget.

Chief Erickson reviewed the Motorcycle Week budget. The retirement costs for Bike Week have been allocated to the Bike Week funding this year rather than coming from the operating budget as was done in years past. City Manager Myers explained that when paying wages the City is required to pay into the retirement system; this has always been done but was not coming out of the correct fund and it is a significant piece that should be identified in the correct budget.

Councilor Lipman asked if this item was discovered in the reconciliation of the event. Finance Director Woodaman explained that when the fund was established this item was not included and it has been identified as a significant expense of the event, which should be coming from the event funding. Chief Erickson added that it was not figured into the operating budget and when the amount was determined it was a large hit for the departments.

City Manager Myers stated that this is not a new expense. It has been identified as an expense of Motorcycle Week and has been taken out of the operating budget and moved to the correct account. Councilor Hamel confirmed that this amount has been removed from the operating budget. City Manager Myers replied it has.

Councilor Hamel commented that he does not agree with it coming out of the Motorcycle Week account. City Manager Myers replied that it is a direct Bike Week expense.

Councilor Hamel asked if we pay retirement for temporary employees for the event. City Manager Myers replied that it is being paid either direct by the departments or through the full time employer who is in turn charging the City.

Councilor Lipman asked if we are paying the other municipalities or are we paying direct. City Manager Myers replied that he is unaware of the specifics. Finance Director Woodaman referred to Capt. Clary from the Police Department for further clarification.

Capt. Clary commented that the Police Department hires the extra staff as a temporary employee and the expense is direct to the department. There are few that are paid as an outside agency. Councilor Lipman asked if this is the best practice to have. Capt. Clary replied that this is the most economical way to do this without paying the staff more.

Chief Erickson addressed the issue brought up earlier regarding the pickup truck that was purchased in place of an SUV. Chief Erickson explained that the cost of the SUV, equipped efficiently for the department, was an amount excessive to the allotted funds. The decision was made to get the pickup truck with a custom cap that holds compartments on the side; this cap is easier to access and more efficient than the SUV would have been and was more cost effective. Chief Erickson added that he is not certain that the original request was to purchase an SUV specifically or to replace the prior vehicle.

Councilor Bolduc asked if the vehicle was marked to indicate it was purchased with Bike Week funds. Chief Erickson replied that it does and added that the Polaris off road vehicle that was purchased with Bike Week funds last year was used extensively during the brush fire this past weekend. Chief Erickson thanked the Council for the purchase.

Chief Erickson reviewed the CIP requests. Although the renovation/replacement of the Central Station is the priority item it has been made clear that this item will not be completed immediately. The request to replace 2,000 feet of four inch hose is necessary due to deterioration of the current supply.

Mayor Seymour asked what the life expectancy is of the supply hose. Chief Erickson replied that it is dependent on where it is being used. In the City it is used frequently and has sufficient wear and tear; some of the hose in service has been in place since before Chief Erickson came to the City.

Chief Erickson commented that the request for the black top paving has been put off to be done in conjunction with the Central Station renovation but it is coming to a point where the condition is very deteriorated. City Manager Myers commented that the bond schedule will be looked into with recommendations coming to the Council.

Chief Erickson discussed the request to replace windows and doors at the Weirs Station. This would be the fire station side of the building only. Chief Erickson advised that he would like to get this done before the roof repair is done, which will be needed in approximately two years. It was a recommendation of the consultant's study to increase the living quarters at the Weirs Station and the renovations would cost approximately \$1.3 million and will be requested for 2016.

Chief Erickson explained that there will be no requests for increased apparatus; the pumper will be ready for operations in the fall.

Councilor Lipman requested that, as was indicated in the consultant's report, the scope of mission be reviewed and reconciled with the recommendations made. This could be addressed while working on the long range plan.

Councilor Hamel noted that Chief Erickson would like to increase staff to 10 on duty. Chief Erickson confirmed this is correct and that he feels there should be 10 to 11 on duty every day to protect the City.

Chief Erickson added that he can make the recommendation and the Council gets to make the decision to accept the recommendation or not.

Councilor Hamel asked why Chief Erickson would be okay with having two additional staff when in the past he has been adamant that he needs four and two would not make a difference. Chief Erickson replied that the need is for four staff and if he can only get two than he needs to take what the Council is willing to give; consistent staffing is critical and the citizens will only benefit if this happens. If at the end of the grant period the Council states that they do not want to fund all of the positions for economical reasons than the department will keep two and put them on opposing shifts.

Councilor Hamel asked why call fireman are not used in the City. Chief Erickson replied that you cannot rely on call fireman when you have 4,000 calls a year. At one time there was a very large force of call fireman but the employers no longer allow their employees to be available when needed and the time commitment is very high.

Councilor Hamel commended the Fire Department for the good job they have done in the last few weeks. They have been very taxed with the amount of fires they have had and they handled it very well.

Mayor Seymour thanked Chief Erickson for his presentation.

POLICE DEPARTMENT (Pg. 80 – 86)

Chief Adams reviewed the Police Departments proposed budget and highlighted the accomplishments from the last year (see Attachment #2).

Chief Adams advised the Council that last week he found availability of COP Grant funding which would cover 75% of the salary for three years. The department will be applying for the grant and hope it comes to the City. Chief Adams feels that telling the story of substance abuse and crime rate rankings would be beneficial to the City. City Manager Myers added that the department had requested an additional position for half of the year and the City Manager recommended funding it for a quarter of the year. This grant, if it were awarded, would allow for the position to be fully funded and would require that the City maintain the level of sworn officers for one year from the conclusion of the grant.

Councilor Baer asked if this includes benefits. City Manager Myers replied that it is 75% of the starting wage and benefits but has a dollar amount cap to it.

Chief Adams advised that the department is at 39 full time officers and the request was for one additional officer. City Manager Myers explained that the deadline for this grant is May 22 and the decision will be made in September.

Councilor Lipman asked how this grant would be used. Chief Adams replied that the Problem Oriented Policing (POP) projects come with many break out meetings with the community and stakeholders, as well as research and analysis, which can be very time consuming. This addition would allow for flexibility to replace an officer working on a POP project to allow the time needed and still maintain staffing levels.

Councilor Lipman asked if an additional POP project will begin from this position or will the existing POP projects be continued further. Chief Adams replied that there are five POP projects this year, with three being carried over from prior years. The department doesn't set a number limit on the POP projects; they identify what is right and will benefit the community, then assemble the team and begin working

on them. This additional staff will give more flexibility for the officers, who are currently giving up their own free time and attending meetings to represent the Police Department.

Councilor Baer commented that the POP project for Wyatt Park is an example of how successful the POP projects can be. It made a huge difference and the problems are no longer there. Chief Adams explained that each POP project involves up to 12 employees from each level of staffing at the department. The larger groups help with the collaboration and brainstorming to make the projects successful.

Councilor Lipman commented that if the position is achieved there needs to be planning for the future to maintain the position.

Councilor Hamel asked how old the Police Department building is. Chief Adams replied that it is 10 years old. Councilor Hamel asked if an energy efficiency audit has been completed on the building. Capt. Clary replied that the building has been denied because it is too new, but they can ask again.

Councilor Hamel asked if the department has the ability to be alerted to “doctor shopping” for prescription medications. Capt. Clary replied that there is still legislation pending. Councilor Lipman added that the legislation that exists has encountered problems that prevent it from being effective.

Chief Adams stated that the department has been working with their own form of policing this issue. If there are multiple reports of missing medications the department, through the detectives, will reach out to the prescribing doctor and let them know what is happening. This appears to have been successful.

Chief Adams reviewed the POP projects for this year. These include domestic violence, underage drinking, property crime (non-retail), property crime (retail), and reduction of drug overdoses/drug activity. The Laconia Police Department Strategic Plan 2013-2016 was also reviewed.

Mayor Seymour thanked Chief Adams for his presentation.

COUNCIL COMMENTS:

Councilor Hamel commented that last year it was discussed having one of the banner poles on Court Street utilized by the City to welcome travelers to Bike Week. City Manager Myers will work on getting this done.

Councilor Hamel stated that the condition of the Hathaway House is continuing to deteriorate. When the property was purchased by Dunkin’ Donuts there was an agreement that they would fix the building. At this time it is in disarray and the City needs to push to have this done. Councilor Bolduc has been working on this and nothing has been done. Councilor Hamel feels that a letter should be sent to them advising them that the City would like them to make good on their commitment.

Councilor Baer commented that when the construction of the new Dunkin’ Donuts came forward the project has already been approved by the Planning Board. The purchaser did not have to fix the building but they did agree to not tear it down and this was not done by contract but by a verbal agreement.

Councilor Lahey stated that the owner attempted to pressure wash the exterior and it is now in worse condition.

Mayor Seymour stated that the City can find out what, if any, agreement was made and move from there. City Manager Myers replied that he will look into this and come back with a recommendation for the Council.

ADJOURNMENT:

*Councilor Hamel moved to adjourn at 8:41 p.m. Seconded by Councilor Bolduc. **Motion passed unanimously.***

Respectfully Submitted:

Mary A. Reynolds
City Clerk