



**LACONIA CITY COUNCIL MEETING
NOVEMBER 25, 2013
CITY HALL – CONFERENCE ROOM 200A
7:00 P.M.**

CALL TO ORDER:

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

SALUTE TO THE FLAG:

Councilor Armand Bolduc led the Salute to the Flag.

ROLL CALL:

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

ADOPTION OF MINUTES OF PREVIOUS MEETINGS:

1. Regular Minutes of November 9, 2013

*Councilor Bolduc moved to approve the regular minutes of November 9, 2013. Seconded by Councilor Lahey. **Motion passed unanimously.***

CONSENT AND ACTION CALENDAR:

1. Request by Weirs Action Committee to Raise Funds at Endicott Park Parking Lot from June 14 through June 22, 2014 and to have all fees waived

*Councilor Bolduc moved to approve the request by Weirs Action Committee to Raise Funds at Endicott Park Parking Lot from June 14 through June 22, 2014 and to have all fees waived. Second by Councilor Doyle. **Motion passed unanimously.***

Mayor Seymour moved item one under New Business to Consent and Action

2. Lease Termination and Approval for Laconia Airport Authority

Airport Manager Diane Terrill explained that the proposal is a change of lease for an existing customer that will now be inhabiting two hangers.

Councilor Baer moved to:

1. *Approve the Lease Termination Agreement with DENJO, LLC in accordance with the Lease Termination Agreement attached hereto and made a part hereof.*

2. *Approve the Lease Agreement with DJM Properties, LLC in accordance with the Lease Agreement attached hereto and made a part hereof.*
3. *Approve the transfer of the building and improvements on the leased premises from DENJO, LLC to DJM Properties, LLC in accordance with the deed attached hereto and made a part hereof.*
4. *Approve the Sublease between DJM Properties, LLC and C-R Helicopters Inc. in accordance with the Sublease attached hereto and made a part hereof.*
5. *Approve the Notice of Lease with DJM Properties, LLC in accordance with the Lease Agreement attached hereto and made a part hereof.*
6. *Authorize the City Manager to execute the Lease Termination, Lease Agreement, and Notice of Lease on behalf of the City of Laconia.*
7. *The approval of such Lease Termination, Lease Agreement, Notice of Lease, the transfer of the building and improvements, and Sublease is conditioned upon the closing between DENJO, LLC to DJM Properties, LLC, and the Lease Termination, Lease Agreement, and Sublease coming into effect pursuant to their terms.*

*Seconded by Councilor Bolduc. **Motion passed unanimously.***

Councilor Lipman asked if a credit screening is done on the lessee on a hanger. Ms. Terrill replied that this has never been the practice and that the Airport Authority only gets involved with financial information is someone is operating commercially. Ms. Terrill added that they have never had an issue but could look into this if it is something the Council would like to have done.

CITIZEN COMMENTS FOR MATTERS NOT ON THE AGENDA: NONE

INTERVIEWS: NONE

COMMUNICATIONS: NONE

PUBLIC HEARING: NONE

PRESENTATIONS:

1. Winnepesaukee River Basin Project (WRBP) Update – Paul Moynihan

Public Works Director Moynihan reviewed a prepared presentation for the Council (see attached).

Councilor Lipman asked where the cost sharing by volume process stands. Director Moynihan explained that the Flow Metering Study is out to bid for the second time because the first bid was too high. The anticipation is to have bids in by mid-December with installation work to begin in spring of 2014. Data will need to be collected for two to three years to accurately capture the flow apportionment for each community. Director Moynihan explained that the advisory board feels the current data being used is outdated and insufficient and new data needs to be collected. Councilor Lipman confirmed that it will be three years before there is any change expected. Director Moynihan replied that the engineers and consultants have recommended that a few years of data be compiled before trying to rework a formula.

Councilor Lipman commented that the large capital investment makes the cost sharing a very important piece for the Council. If there truly is \$50 million in capital investment needed the City will be responsible for 50% of that. Director Moynihan replied that this has been a high priority of the advisory board but it's a slow process that is more intricate than was initially anticipated. Councilor Lipman stated that the Council needs to plan financially for these projects. Director Moynihan corrected that the \$50 million previously reported was a result of a preliminary document provided to the WRBP by a consultant and is far greater than necessary therefore they have been working on a capital improvement program to truly assess the costs.

Councilor Lipman recalled that over 70% of the cost of the WRBP was paid by the federal government initially and that exploration of other funding was going to happen because keeping the WRBP clean is a benefit to everyone, not just the member communities. Director Moynihan replied that they are looking into alternate resources but the explanation could be better made by the administrator because she is the seeker of outside funds. As the City representative to the WRBP advisory board Director Moynihan is relaying the information he has.

Councilor Baer asked if DES is the actual entity that sets forth the actual projects to be done. Director Moynihan replied that they are a driving force but there is a Memorandum of Understanding (MOU) that was signed by the member communities that outlines how the capital projects are going to proceed. This was signed in March of 2012.

Councilor Baer asked if the proportions of the other projects are going to be the same. Director Moynihan replied that all costs are based on the current formula.

Director Moynihan presented the Council with the debt service schedule for the WRBP for the next 10 years.

2. Department of Public Works Fleet Update – Paul Moynihan

Director Moynihan reviewed the DPW equipment purchases and equipment taken out of service for 2008 through 2013 (see attached).

Councilor Lipman commented that when the investment was made in new equipment the expectation was that old equipment was going to be taken out of service, such as the street sweeper. A cost analysis was requested to support the carrying of maintenance and insurance for these vehicles that are not used. Director Moynihan directed Councilor Lipman to the final page of the handout which shows the information that was requested as well as how the vehicles were used to be of service to DPW. Without this equipment there would have been a lack in ability to service the community effectively. Director Moynihan added that one of the pickup trucks was used by the seasonal help that was tasked with maintaining the appearance of the City core areas.

Councilor Lipman stated that these are not huge dollar amounts but the funds used for the maintenance of a street sweeper could have been used for something else. Director Moynihan replied that if it was implied that the street sweeper was going to be taken out of service it was not intended to be represented that way. Councilor Lipman added that two (2) street sweepers for a City this size seems a too rich. Director Moynihan explained that the City was hiring services at a cost of \$45,000 each year and this was reduced to \$20,000 because one sweeper cannot efficiently service the entire City; as soon as the snow melts people want the streets cleaned. By using the old sweeper the contract services were reduced considerably.

Councilor Lipman commented that when an investment is made he would like to see the whole picture. Director Moynihan assured that he never intended to hide anything from the Council. Councilor Lipman

countered that the Council has fulfilled the obligation to supply sufficient equipment and he does not feel older equipment it is being disposed of efficiently. Director Moynihan replied that some of the equipment is being used by staff and other equipment is being saved for useful purpose, such as ease of replacement in a time of need like a snow storm.

Councilor Hamel commented that the 1960 Bombardiers do not show being taken out of service. Director Moynihan replied that they are still in service and the hope was that the new Bobcats were going to be more efficient than they are therefore the Bombardiers are being retained for backup. Councilor Hamel stated that it may have been better to lease them before to try them out before making a purchase. Director Moynihan replied that he doesn't feel there has been a bad purchase because they are useful for other areas but are slower.

Councilor Hamel asked for the maintenance budget on the Bombardiers. Director Moynihan replied that he will get that information for the Council.

Director Moynihan expressed that the mechanical staff for DPW are very sensitive to not retaining equipment that is not cost effective.

Councilor Lipman stated that he would like a plan in place and not a haphazard method of moving along. Director Moynihan replied that nothing is done haphazard.

Councilor Lipman commented that the budget is approved and equipment is purchased with the expectation that other equipment is going to be taken out of service and when those things don't happen it effects the credibility of the representation made.

Mayor Seymour explained that the Council has the obligation to ensure the City assets are being used to the best of their ability but if there is an unforeseen circumstance it is understandable, but if there was a plan the Council needs to know in advance to prepare as much as possible. Director Moynihan replied that this is a new tier in the department and he will work on this with the City Manager moving forward.

City Manager Myers added that he does not recall there being a commitment to dispose of equipment on a one for one basis but does agree that the savings on contracted services made sense. Moving forward the entire package will be presented to the Council. Councilor Lipman replied that he distinctly remembers health and safety concerns being presented to the Council in relation to the older equipment and this was a key factor in replacing the equipment. City Manager Myers replied that this was looked into, particularly with the street sweeper, and it has been stressed that employee health and safety has not been risked. Additionally, City Manager Myers advised that General Foreman Jon Neal has been looking to clean up other items in the department moving forward.

Mayor Seymour thanked Director Moynihan for his presentation.

MAYOR'S REPORT:

Mayor Seymour thanked Metrocast and the Downtown area merchants for assisting in hanging the holiday lights in Downtown again this year. They look very nice.

CITIZEN REQUESTS TO COMMENT ON CURRENT AGENDA ITEMS: **NONE**

COMMITTEE REPORTS:

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

- a) WOW Trail Fund
- b) Special Item Budget Requests Procedural Review
- c) Huot Center
- d) Downtown TIF Financing

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) Vending and Licensing Fees
- c) Chapt. 119, Building Construction regarding signed architectural plans for residential units

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) 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
- d) Downtown TIF Infrastructure Proposal

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 (see attached).

City Manager Myers advised the Council that tax bills have been printed and will be in the mail on Wednesday.

Councilor Lipman asked how there can be improvement in the projection of the overall property value to predict the impact on the tax rate more accurately. City Manager Myers replied that this has been a discussion with the Assessor and Finance Director over the last month. With the economy being in a lag and information coming in after the budget has been adopted it makes it difficult however, they have been discussing ways to try and become more accurate. The setting of the tax rate was proportionate to reflect the actual change is the overall assessed value of the City. City Manager Myers reviewed some of the trends that are effecting the sales date, including foreclosures, evaluation, abatement filings and sales.

Councilor Hamel commented that not all property values decreased therefore not everyone saw an evening out of the actual tax paid. City Manager Myers concurred with this and explained that property classifications changed differently but collectively \$50 million of value decreased.

Councilor Hamel asked when the property valuations are filed with the Department of Revenue Administration. City Manager Myers replied that the MS-1 it is due September 1 but is only one factor in setting the tax rate. Councilor Hamel commented that this doesn't seem right. City Manager Myers replied that you can't focus on the tax rate because the rate fluctuates with values.

Councilor Lipman stated that when the Council sets a budget based on a proposed percentage of increase it is assumed that the values have stabilized. From a customer service stand point it seems inefficient.

Councilor Hamel commented that he has received comments that indicate people feel the Council is making increases that are not known because the bill is higher.

Councilor Lipman commented that this is an imperfect science and there needs to be some way to be more customer service oriented. City Manager Myers reiterated that this is high on the priority list.

NEW BUSINESS:

1. Lease Termination and Approval for Laconia Airport Authority

This item was moved to the Consent and Action Calendar.

2. Approval of Digital Coaxial Cable and Fiber Installation for Lakes Business Park

Mayor Seymour commented that everyone has received the memorandum outlining the proposal.

Councilor Hamel asked where the funding comes from. Finance Director Woodaman replied that the tax revenues come in each year and \$25,000 goes directly to the Town of Gilford for road maintenance and bills for the Park. An additional \$58,000 goes into a fund for other upgrades to the property with anything left over being split between the communities. There is currently \$225,000 in the account with an additional \$58,000 coming in within the next 30 days.

Councilor Lipman commented that this would help with marketing of the properties. Mayor Seymour advised that it was the understanding of the association that this was already in place and it was discovered that it is not. For the long term viability of the Park it is recommended to make this upgrade.

*Councilor Lipman moved to approve digital coaxial cable and fiber installation for Lakes Business Park. Seconded by Councilor Baer. **Motion passed unanimously.***

3. Declaration of City owned property on Lexington Drive (Parcel #375-324-4) as surplus

City Manager Myers advised that this is the parcel that a public hearing was held on at the November 12 meeting. There are no offers on the property at this time but by declaring it surplus it would open up for offers and flexibility to move forward if an offer is made.

*Councilor Baer moved to declare City owned property on Lexington Ave (Parcel #375-324-4) as surplus. Seconded by Councilor Bolduc. **Motion passed unanimously.***

4. Request to set hours for the Special Election to be held on January 21, 2014

*Councilor Hamel moved to set the polling hours for the Special Election to be held on January 21, 2014 as 7:00 a.m. to 7:00 p.m. Seconded by Councilor Bolduc. **Motion passed unanimously.***

UNFINISHED BUSINESS:

1. Milfoil Treatment Funding Request
2. WOW Trail
3. Master Plan
4. EPA Update
5. Sewer & Water Master Plan
6. Single Stream Recycling/Concord Co-Op/Solid Waste Disposal Cost Reduction
7. Strategic Planning/Goal Setting

NOMINATIONS, APPOINTMENTS & ELECTIONS: **NONE**

COUNCIL COMMENTS:

Councilor Hamel commented that there was a problem with old utility poles being removed in the City and they are starting to accumulate again. Councilor Hamel asked if they pay a tax on both poles. City Manager Myers replied that they are not and there has been good communication with the utility companies and requested specific locations where this may be of concern so it can be addressed.

Councilor Lipman commented that the intersection of Fair and Court Streets has a sign announcing the opening of the new auto parts store. There have been comments that it is creating a blind spot pulling out on Court Street. City Manager Myers will look into this tomorrow morning.

Councilor Bolduc advised that the 38th Annual Christmas Village will be open at the Community Center from December 5 through December 8 and invited the community to come in and enjoy it.

NON - PUBLIC SESSION:

Councilor Bolduc moved to enter into non-public session according to RSA 91-A:3, II: (a) The dismissal, promotion or compensation of any public employee, or the investigation of any charges against him, unless the employee affected (1) has a right to a meeting and (2) requests that the meeting be open, in which case the request shall be granted.

Mayor Seymour noted that Mayor Elect Engler and Councilor Elect Bownes are invited to attend the non-public session and no action will be taken following the non-public portion.

Seconded by Councilor Hamel.

On a roll call vote of the Council it was entered into non-public session at 8:18 p.m.

*Councilor Bolduc moved to come out of non-public session at 8:20 p.m. Seconded by Councilor Baer. **Motion passed unanimously.***

ADJOURNMENT:

*Councilor Bolduc moved to adjourn at 8:22 p.m. Seconded by Councilor Hamel. **Motion passed unanimously.***

Respectfully Submitted,

Mary A Reynolds
City Clerk