



Mayor Myers opened the meeting at 7:00 p.m.

Councilors Present: Mayor Scott Myers, Deputy Mayor Jason Hindle, Bob Keays, David Scott, Catherine Cheney, Harvey Turner, Dennis Ciotti, Doug DeDe (arrived at 7:10 p.m.) and Dean Trefethen (arrived at 7:15 p.m.)

Also Present: City Manager Mike Joyal, Finance Director Jeff Harrington, Fire Chief Plummer, Police Capt. Tony Collaruso, Community Services Director Doug Steele, Human Services Director Janet Poulin, Library Director Cathy Beaudoin, Recreation Director Gary Bannon.

1. Pledge of Allegiance

2. GENERAL BUDGET DISCUSSION

Mayor Myers began by stating that the department presentations were concluded at the 05/17/06 meeting. The Council decided to add 2 additional budget sessions for general discussion, the first this evening and the second on Saturday May 20th at 9:00 a.m. The purpose is to give Councilors a chance to give their thoughts and ideas of where to cut or what to leave status quo and the public will have an idea of what the Council is thinking prior to the 05/24/06 budget public hearing. He would like the discussion to be open and casual with back and forth conversation if possible.

Deputy Mayor Hindle referred to his handout with suggested cuts to the budget proposal. He stated he has a revision to the list which is to remove the Human Services Department as a result of last night's presentation. He stated his primary focus is the CIP and the total (revised) reduction would be \$770,156.00. He then reviewed the suggested line item reductions as follows: Community Services – removed \$150,000 from Broadway Rizzo Study, Reduce Sidewalk Improvements from \$400,000 to \$200,000 which would be level funding at last years amount, and reduce Bridge Improvements to \$30,000. Police – remove \$118,000 from Renovation Improvements for the women's locker room, which he suggests because he would rather see a formal plan for renovating the police department as a whole, or perhaps they will end up relocating. He does not want to do the renovations in a piece-meal fashion. Also, for discussion purposes, he would like to see the police vehicle replacement program look outside the box and research hybrid vehicles, perhaps testing one vehicle and track the fuel savings. He stated that he spent some time on the computer today doing research and found that other communities are using hybrid vehicles in some of their other departments i.e. Community Services and Fire. Finally, his last proposed reduction is \$35,000 in the Fire Department for a pickup truck, which basically was the amount to reduce this budget to the desired 3%. Also, he has a handout of a map of the upper square improvements from the Rizzo Traffic Study. Mayor Myers clarified that the \$150,000 removed from the Rizzo Study recommendations was the Broadway portion but we are leaving in the Central Avenue portion.



DeDe agrees that this is the right direction to move away from “credit card” purchases. However, he stated that in light of recent events, he feels that the \$400,000 in the sidewalk improvements will end up being spent on road repairs from the flood damage and we shouldn’t remove it from the Community Services budget as the projected cost reported in the newspaper tonight was \$1 million+. Also, if we don’t do it now, it will cost more later.

Hindle stated that his reason for reducing the sidewalks to \$200,000 even though the Community Services budget will be overstretched was that in discussions with Doug Steele, he was told that a good portion of the money was going to the Broadway project and that is not being done at this point.

Ciotti asked when the Broadway project is scheduled to begin.

Steele stated it is in year 2010 of the CIP.

Joyal stated the design is scheduled for 2009.

Myers stated out of the 2 Rizzo projects, he agrees with Hindle’s proposal, but would like to leave the \$75,000 in for the parking feasibility study as every year they take it out of the CIP but end up cutting it out of the budget. He then asked Joyal about the locker room facility for the Police Department and if there is any legal danger if we don’t proceed.

Joyal stated that he won’t say that we are not in any legal danger, but explained that both male and females are being compromised with this current situation and feels that it needs to be addressed. He stated that if we do defer the renovation, then we should be proactive in recognizing the problem as a whole whether remodeling to the existing police department in city hall or looking at alternate sites, but nothing can be done without money in the CIP.

DeDe agrees that a study should be funded for several design options including renovations of the existing facility.

Hindle stated that if we put money into the budget for a space study, then it should be in the Planning Department for them to take the lead on a comprehensive space needs study for City Hall.

Trefethen isn’t sure it is fair to allocate it to just one department because each department is being looked at for their increase percentage and feels that the cost of this study should be spread out.

Hindle clarified that the Planning Department should take the lead role in this study.

Trefethen stated that he would like to see a resolution for this that would also set a time frame for completion prior to the CIP process in the fall. He also feels that Planning has a full plate.

The Mayor stated he had asked about bridge maintenance and is the jump from \$20,000 to \$60,000 this year a one-time request and Doug Steele stated no, it costs \$60,000 a year to maintain the bridges and stated if we don’t take the experts’ advice it will cost more later so he is not in favor of cutting this.

Next the Mayor referred to page 24 in the budget document stating that there is a Capital Outlay Reserved account which the Council began funding last year which is meant to set aside money for big ticket items in the future that won’t have to become a burden on the taxpayers. Credit rating agencies believe that a minimum of 3-5% of the budget should be earmarked for capital outlay to avoid debt burden and to keep



flexibility. He stated that we would be bringing ours up to 1.9% which is still below the recommendation and feels that this should not be cut.

Trefethen agrees that the bridge funding should not be cut. He stated that the Council has been moving from debt financing to general financing when possible but feels that the sidewalks could be funded at \$300,000 instead of \$400,000.

DeDe also agrees that the \$60,000 should be funded for the bridge maintenance because that is what the consultants recommend. He stated that the money will be spent one way or another, and if it becomes an emergency, it will cost more.

Hindle clarified that he is not recommending cutting it out entirely he is reducing the request by ½ to \$30,000 which is still \$10,000 more than was funded last year.

The mayor asked if the Council would be willing to give a consensus of the various recommendations so that they can move forward and have updated numbers for the Saturday workshop. He clarified that none of the votes are binding.

Scott stated that the Council needs to cut spending as the homeowner doesn't care where it comes from, Capital or general fund etc., they get one bill to pay.

Discussion ensued as to how to proceed.

DeDe asked Chief Plummer about the truck that needs to be replaced and does it have to be a pick up truck.

Plummer explained that this vehicle would be a multi-use vehicle which is used to do inspections but also hauls trailers and fire hoses, but he could get a different vehicle if necessary. He explained that the vehicle being replaced could no longer be used as it failed inspection and now staff sometimes uses their own vehicles to go out on inspections.

DeDe asked how much it costs to reimburse the employees for using their own vehicles.

Joyal stated 44.5 cents a mile and it will probably go up.

Keays stated it would be great to have everything, but the people in his Ward talk to him and they can't afford any more. He stated the Council can nickel and dime all night but it is the City Manager's job to present the budget and make the cuts to get to the 3%.

Joyal responded that despite what was written by a Councilor in an editorial, he did present the options that were requested in the resolution in February both excluding debt and Capital and with debt and Capital as well as the 0% option which was outlined in a memo dated April 11, 2006. With his recommendations it came in at 2.8% increase, they would have actually had to add \$49,000 to get to 3%.

Turner asked how many miles were on the fire vehicle.

Plummer stated 100,000 but it was 22 years old. He explained that this vehicle has a lot of idling time and did a lot of city driving.

Turner stated it seems that they need to have a workhorse vehicle.

Plummer stated he could get by with a smaller vehicle for now, but would still need something to use for hauling.



Scott stated he agrees with Keays and feels that perhaps the resolution wasn't clear enough but he wanted a 0% and 3% budget presented as retired people cannot afford any more. He then related some of the proposed budget increases of other cities in the area stating that some are even going into the negative instead of increasing. He stated that Hindle's recommendations are coming close to getting there but feels that Joyal should come back with cuts.

Myers clarified that the Council still has to come to a consensus on these proposals first.

Trefethen stated he heard last night and is hearing again now that Joyal has to do the cutting. He stated that the constituents expect the council to do their job and that 2 ½ years ago it was understood that the Council set the budget. Now, however, there is a concerted effort to make it Joyal's job, which the City Manager did present the budget and the cuts that were asked for, but they still criticize him. He concluded that the Council sets the priorities and the City Manager executes it for the rest of the year.

Keays stated we pay the Manager good money to make these decisions and run the city.

Myers referred to the Manager's memo dated 04/11/06 which listed the Manager's recommendations for 3% and 0% increased budget. He read the memo.

Cheney stated that in an addendum the Manager recommends laying off one firefighter, when Chief Plummer is saying that he needs more, so she wonders how this can be his recommendation, she feels this is not clear.

DeDe stated that the manager's memo is exact and that the biggest expense is personnel. These costs can only be controlled through contract negotiations which cannot be done in one fell swoop. He stated that he himself was an outspoken critic of hiring Joyal but he has made good on his promise NOT to be another Paul Beecher.

Scott referred to the budget document stating that the Fire Department came in with a 3.8% increase so they have made the effort, Library and Recreation were okay as well. He feels that the focus of more cuts should be on the Police and Community Services Departments. He wants a copy of the 2005 budget so he can trace the discrepancy.

Joyal asked what discrepancy.

Scott referred to page 199, 10.1% increase which was not carried on to page 100.

Joyal then explained the General Fund Accounts in the budget for Mr. Scott.

Cheney stated that Hindle has presented some constructive budget increase reductions and asked if anyone had anymore.

Hindle reiterated that the City Manager did come in with a budget of 2.8% (excluding capital and debt financing) and that the previous Council did take items out of the CIP to put in the General Fund. He stated he has prioritized projects, eliminated some and reduced some, but will not put them back in the CIP.

Myers stated yes, Hindle's suggestions will get the ball rolling.



He then began at the top of this list and asked if everyone agreed with removing the \$150,000 from the Rizzo study recommendations for Broadway.

Turner stated he thought that both of those projects (Broadway and St. John Street) went hand in hand due to the changing of the traffic patterns and that either both or neither had to be done.

Hindle explained (see map), but Turner still doesn't understand as it would be forcing more west bound traffic and would be a lose/lose situation.

Hindle stated it is the first step in a much bigger project.

Trefethen stated that we are missing the point that the Rizzo Study had a traffic modeling plan as it currently flows and that the quantity going east is less than we would think, and therefore it is being phased in.

Turner clarified that his concern was that they went hand in hand at the same time.

Consensus vote to remove \$150,000 from the Rizzo Improvements-Broadway:
Motion passed on a 6-3 hand vote.

Cheney asked for clarification that these votes were for discussion purposes only and not binding.

Mayor Myers stated that is correct.

Next, Myers addressed Sidewalk Improvements:

Reduce by \$200,000 to \$200,000 – Motion failed on a 4-5 hand vote.

Reduce by \$100,000 to \$300,000 – Motion failed on a 3-6 hand vote.

Keep full funded at \$400,000 – Motion failed on a 2-7 hand vote.

NO CONSENSUS.

Reduce \$30,000 from bridge Improvements leaving \$60,000:

Keays wants to hold off on this until after we get a rundown on the storm/flood damage from the City Manager.

Joyal explained that this bridge improvements program is for recurring annual maintenance regardless of any damage from the flood, but feels that the flood has not affected the bridges only the roads and culverts. He further stated that the bridges need to be inspected.

Keays asked about Blackwater Road.

Joyal stated it is easily going to cost a few hundred thousand dollars, but it isn't the bridge it is the culvert.

Consensus to remove \$30,000 from bridge improvements passed on a 5-4 hand vote.

Remove \$118,000 - Police lockers:

Turner stated that with the School Department moving to Woodman Park School in the near future, there will be additional space in the City Hall and feels that we could hold off on renovations in the Police Department for 2-3 more years.

Hindle stated he would want to refocus \$50,000 for a general space needs study.



Ciotti stated if we remove the \$118,000 from locker facilities he would want to see a temporary fix for the ladies because if there is a problem it needs to be addressed. He also suggested the World Gym as a temporary facility.

Joyal clarified this is not for a workout locker facility, but is the general area that the on-duty officers change into and out of their uniforms. He stated the situation as it currently exists is the temporary fix and he wants to address the full renovation.

Consensus to remove \$118,000 from Police locker room and to add \$50,000 for a space needs study passed on a 5-4 hand vote.

Remove \$35,000 from Fire Department for Pickup Truck Purchase:

Discussion ensued regarding the need for the new truck due to the old one no longer being able to pass inspection.

Cheney asked if we can trade it in for the current loaner. Plummer stated no, it was bought for \$1.00 and he has to sell it back for \$1.00.

Remove \$35,000 for fire pick up truck – Motion failed on a 3-6 hand count.

Reduce amount by \$15,000 (leaving \$20,000) – Motion failed on a 1-8 hand count.

Leave \$35,000 in for purchase of pickup truck – passed on a 5-4 hand count.

At the conclusion of Deputy Mayor Hindle's budget proposal, the Mayor then went on to other suggestions.

Remove \$75,000 from Rizzo Parking Study: (Page 233 budget document)

Joyal explained that this is to identify a suitable location for a parking facility to be able to put it in a future CIP. It is in the Parking Activity Fund as it is supported by parking fines only and has no impact on the taxpayers.

Scott stated this is a lot of money for a parking study.

Joyal stated he is actually concerned that it is too little as it will involve site assessments and borings.

Scott stated then this is a construction study for a parking garage. He asked if the parking fines go into the general fund.

Joyal stated no, it is an Enterprise Fund and the money is used to maintain and plow municipal lots, etc.

Cheney asked if the money can be used for any other road or sidewalk activities.

Joyal stated the Council can allocate funds how they see fit, so yes.

DeDe stated the need for parking is great in Dover with the imminent coming of the museum as well as the other businesses that want it. He stated it requires a study to go forth and clarified that a parking garage doesn't have to be paid for by the taxpayers. He stated this shouldn't be taken out of the budget, especially the parking fund.

Cheney stated this is not black and white and she feels it seems like we are saying we are ready to do it without approval to build one.



DeDe stated this is not a change to the Rizzo study recommendations, only to the schedule.

Turner asked what have we already spent on parking studies.

Joyal stated nothing.

Hindle stated the total cost of the Rizzo study was \$100,000.

Consensus to remove \$75,000 for parking study failed on a 3-6 hand vote.

Consensus to keep \$75,000 for parking study passed on a 6-3 hand vote.

Trefethen discussed the fact that the Council is looking at just one year of the budget and capital improvements program, but feels that the big picture needs to be kept in mind i.e., North end Fire Station is coming up for bonding in a future year, but if we choose to level the number of employees in the Fire Department, then they won't have the staffing they need, so we can't compartmentalize.

Mayor Myers then asked Joyal to update them on the Health Insurance savings. Joyal explained that the guaranteed maximum increase was set at 16.2% which is what the budget was based on, and now they have received the actual increase that will be 13.4%, which results in a \$80,762.00 decrease to the general fund amount. He continued that he would like, however, to use a portion of this savings to add back the \$16,000 for Strafford Regional Planning Commission dues which was removed previously, and also to add \$20,000 for the maintenance and care of fields.

Consensus to add back \$16,000 for SRPC dues and \$20,000 for field maintenance passed on a 9-0 hand vote.

Next, the Council decided to work further on the budget on a department by department basis.

Turner began with Police Department, page 209, #4742, Police Vehicles, stating that he would like to see the department set an example and perhaps look at hybrids, smaller sized vehicles, etc.

Hindle stated he supports the current vehicle replacement program, but would also like to see more research done regarding alternatives, so perhaps we could take out the money for now.

DeDe asked Capt. Tony Collaruso to comment on the miles per gallon of the Crown Victoria vehicles currently used.

Tony stated they get approximately 15 mpg.

DeDe thought it was more like 22 mpg, but he has done some reading about hybrids and in the winter they are not as efficient as the battery doesn't charge well. Also in a comparison of the hybrid vs. the Honda civic, it was found that it would take 14 years for there to be a payoff and feels there is more of a perception of benefits than reality. He stated if we decide to get one, then we should only get one.

Myers stated we have the replacement program in place for a reason and we should keep funding it, even if we do try a hybrid. He stated we also have to keep in mind that our vehicles do a lot of idling and wonders how a hybrid does in regards to idling.



Scott stated he was impressed with the Fleet Maintenance operation and wonders why we can't just get 2 new vehicles and then consider a hybrid. He stated that there may be subsidies available.

Hindle stated that there are Toyotas and Mazdas being offered to municipalities at no cost with the caveat that they are being test vehicles.

Ciotti asked how many motorcycles are in the PD fleet, was it purchased and are we looking at getting anymore.

Coloruso stated 1 motorcycle at this point and it is purchased. He stated that there would have to be more analysis done to show the need for it.

Joyal again explained the vehicle replacement program stating that the vehicles are recycled through the other city departments to get the full use of them. He agrees that Fleet Maintenance does a great job getting the most out of the vehicles. He stated that if we do get a hybrid he would not get one for the police or fire department but perhaps another department. He stated that this is a policy decision as well as fuel alternatives, but should be done separately from this replacement program.

Consensus to eliminate vehicle replacement program – failed with 0 in favor.

Consensus to replace 2 vehicles instead of 4 – failed on a 3-6 hand vote.

Consensus to leave 4 vehicles – passed on a 6-3 hand vote.

Councilor Scott then discussed the Police Chief salary in the current budget versus the previous budget stating there is a discrepancy.

Deputy Mayor Hindle noted for the record that Councilor DeDe left the meeting at 9:05 p.m.

Joyal again explained the way the budget document is set up and how to follow the various accounts in different departments.

Trefethen asked about the additional workshop scheduled for Saturday morning, 05/20/06, stating that if it will be productive he will be glad to meet, but if not, he would rather not hold the workshop.

Scott stated he would like Joyal to incorporate the changes and come back next Wednesday and not Saturday.

Finance Director Jeff Harrington stated that so far, the Council has reduced the budget by \$263,000.

Cheney wants to be able to leave everything up for discussion on Saturday, including what has already been discussed if they want to.

Myers stated that everything will still be open for discussion.

Scott stated that the Council has already given direction to Joyal to come back with priorities for a 3% budget and that people don't get 2 separate tax bills (debt service, CIP, versus general fund).

Mayor Myers stated it was already done (see previously mentioned 04/11/06 Manager Memo).

Discussion ensued regarding general fund versus Capital Reserve.



Keays asked for the figures of how many cell phones in the city and the cost. Joyal stated he will get that for him.

Hindle stated he would like to set a time limit of 9:00 a.m. to noon for the Saturday workshop session. He expressed his disappointment at Councilor DeDe leaving tonight's meeting early. He would like to start the discussion on Saturday focusing on the Manager's memo.

Myers asked the Council to get any questions they have for the Manager into him on Friday and not wait until Saturday so that he can have the answers ready.

Hindle stated we already have cut \$263,000 and wondered what the magic number people are looking to achieve.

Myers stated he is not looking for a magic number and he is not looking to cut the Capital Reserve because it is only a short term solution. He also doesn't feel that 3% for each department is fair especially when there are allocations that they don't have control over i.e. McConnell Center rent for Human Services which brought that budget up to a 6% increase, but without it, it was only a 1% increase. He stated the Council needs to understand the numbers and take ownership. He stated that last year was the first year in 10 years that the Council didn't use fund balance to offset the tax rate and wants that to continue. He stated that making small steps makes an impact long term as well as making decisions during labor negotiations.

3. ADJOURN

Keays moved to adjourn at 9:35 p.m., seconded by Scott. Motion passed unanimously.

Valerie A. French
Deputy City Clerk