



CITY OF DOVER

CITY COUNCIL - AGENDA

Meeting Type: Workshop
Meeting Location: Council Chambers - 288 Central Avenue, Dover, NH 03820
Meeting Date: **Tuesday, June 3, 2008**
Meeting Time: **7:30pm**

1. Pledge of Allegiance

Councilor Cheney led the Pledge of Allegiance.

Present: Mayor Myers, Councilors Callaghan, Cheney, Dede, Scott, Trefethen, Weston.

Also Present: City Manager Joyal, City Attorney Krans, and City Clerk Lavertu.

Absent: Councilors McCusker and Keays.

2. General Budget Discussion

Mayor Myers thanked the department heads for being present to answer questions. He opened the floor to the Council for discussion.

Councilor Trefethen referred the Council to the spreadsheet he created, along with Councilor Weston, on proposed Budget amendments. He read the list for the Council. He said the \$50,000 reduction in Business Assistance assumes that the position will not start on July 1st, but sometime in the winter, as determined by the City Manager or DBIDA. He said if this list is the general consensus of what the Council wanted to do, then he would bring another list with page numbers and account numbers for the June 4, 2008 Workshop Session.

Councilor Weston asked the City Manager who the Economic Developer was going to be employed by, the City of Dover or DBIDA.

City Manager Joyal said he would be an employee of DBIDA.

Councilor Weston asked if the Council could mandate the start date. She said she was hoping to have it be January 1, 2009.

City Manager Joyal said the Council could attach any strings that it wanted to money that it was going to give to DBIDA, but he couldn't say if DBIDA would agree. He said the Council was providing DBIDA with a grant. He said there will be a contract negotiated between the City and DBIDA, to provide economic development for the City.

Councilor Weston said she spoke with three major businesses in the downtown area about the Economic Developer. They told her that they didn't have a problem with a January 1st start date, but wanted the citizens of Dover to understand the importance of having an Economic Developer working for the City of Dover. She referred to the list Councilor Trefethen and she created, and she hoped for the support of the Council and to find consensus.

Mayor Myers said he appreciated the time and effort Councilors Weston and Trefethen put into creating the list. He asked the Council if they wanted to take this proposal generally or go through it line by line.

Councilor Callaghan said he produced a similar list. He went over his list with the Council.

Mayor Myers asked the Council for comments on Councilor Callaghan's proposal.

Councilor Scott complimented Councilor Callaghan on his list. He referred to the hourly rate of \$65.00 per hour for outside contracted service completed by Community Services. He said Honda charges \$88.00 per hour, John Deere was \$70.00, and a small repair shop was \$65.00. He said the \$65.00 per hour was a good place to start.

Mayor Myers asked the City Manager if those funds were accounted for in Fleet Services Funds or in the General Fund.



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City Manager Joyal said the rates could be increased, but it would not have an affect on the tax cap portion of the budget. He said that the Council could decide to direct the savings all to the General Fund, but would be short-changing the other funds.

Councilor Callaghan said he was looking to increase the marketing and get some extra work to offset the salaries. He felt that \$5,000 for last year was not a lot of money at \$50.00 per hour. City Manager Joyal said if Fleet Services had extra time he would first go look at staffing a lot closer.

Councilor Callaghan said Mr. Sam Crowley, Fleet Services Director, didn't tell him he had extra time, but was trying to solicit extra work to try to offset some of the expenses of running the garage.

City Manager Joyal said the City of Somersworth approached the City of Dover to take over the maintenance of their public works vehicles. He said Mr. Crowley was asked to follow up on that. They found out that they can't compete with the private sector. He said the City has also been approached by Rochester to service their police vehicles, and has asked Mr. Crowley to look into that.

Councilor Callaghan said he was trying to create a business and get extra revenues.

Councilor Trefethen said that some of the fees in the fee schedule are controlled by the State, and the City cannot raise them. He said he does think it would be a good idea to raise the fees the City can change, but doesn't feel it automatically raises the revenues 5%. He also said the Council needs to approve the fee schedule at the same time as the budget and doesn't feel there is enough time to do that this year.

Councilor Callaghan said he agreed with Councilor Trefethen. He said he felt if some fees could go up 25%, he hoped the fee schedule could be an averaged 5% increase. He said he felt even with the 5% increase they were still reasonable.

Councilor Cheney said she was appreciative that the department heads are here. She said she thought Councilor Callaghan's list was great. She said she wanted to ask Police Chief Colarusso some questions.

Mayor Myers asked her to go through the City Manager first. He also said that he wanted to go through general comments first and then get to specific questions.

Councilor Cheney said she wanted a couple of updates before she made any comments. She asked the City Manager if she could ask Chief Colarusso specifically about the Resource Officer, Victim's Advocate, the Department of Justice grant, and about the Mounted Officers costs.

City Manager Joyal asked Chief Colarusso to speak to Councilor Cheney's questions.

Councilor Cheney asked Chief Colarusso about the Department of Justice grant.

Chief Colarusso said after speaking with the advisor, the earliest we would get a definite decision on the grant is Friday, June 6th, and the latest would be the following Friday.

Councilor Cheney asked about the Victim's Advocate and his presentation, saying that this would be partially done by the court system.

Chief Colarusso said the Victim's Assistance for the County Attorney's Office will take on some of the duties for domestic violence victims only, but at the District Court there are many other victims of various crimes or offenses.

Councilor Cheney asked about the Resource Officer, and noted that the City may be getting some type of grant.



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Chief Colarusso said that was correct. He said a grant that was submitted by the Dover Schools included the hiring of a Middle School Resource Officer. He said they will not know about that grant until September, but the City will not be able to use those funds until October. He said it was a competitive grant and there are no guarantees, but they are hopeful.

Councilor Dede said he was troubled by Councilor Callaghan's proposals. He said the Economic Development position was a proactive investment by the City of Dover, shifting the burden of taxes from residential properties to businesses. He said the Economic Development is being looked at as an expense, but in reality it is an investment. He discussed the street sweeper and the need for a new one versus repairing the old one. He said it wasn't sound financing planning to put band-aids on the problem. He mentioned the permit and license fees, and how the economy might not reflect a 5% increase in revenues. He said he was ambivalent about engineering position being eliminated. He said the engineering department staff has already been reduced, and he is not sure the City should eliminate this position. He referred to Councilors Weston and Trefethen's proposal, and said he felt those were right on point and more appropriate.

Mayor Myers said he had a few concerns with Councilor Callaghan's proposals. He wasn't ready to comment on the donation for the Library carpet until it materializes. He will not support reducing the entire amount for DBIDA. He said he didn't think repairing the street sweeper was a wise investment. He referred to the fees, and he said there are some fees that the Council could make some adjustments to, but felt that even though it wasn't in a tax bill, the end user was still paying it. He said the bulk of the fees mentioned in his proposal were for automobile registrations, and those are regulated by the State. He also asked the City Manager how much of the amount was for automobile registrations.

City Manager Joyal said it was \$4 million.

Mayor Myers also said that dog licenses and marriage licenses are also set by the State, and felt the \$4.4 million in the proposal was not going to result in the 5% increase of \$223,000. He doesn't agree with eliminating the City Engineer. He said he was not in favor of using the Fund Balance. He referred to Councilors Weston and Trefethen's proposal, and said he agreed with the Thompson Pool, Recycling Center, Arts Festival, Dover Main Street, fireworks, and the second crosswalk painting. He agreed with the \$15,000 for street lights, with fewer turned off, instead of Councilor's Callaghan \$25,000 with none turned off. He discussed the reduction in Business Assistance by \$50,000, and said he still feels this is an investment in the community that will bring businesses, jobs, expand the tax base, and create opportunities for Dover's residents. He said he was willing to support the reduction, but didn't like to set a start date. He said the City had to show a commitment to get a qualified person. He said the City could also look into hiring them part-time at first, and have that grow into a full-time position. He is also concerned that the person will not have had enough time to measure whether the program should continue by the time the next budget needs to be completed. He said he was willing to compromise, but he didn't want to limit the possible candidates because the Council limited itself.

Councilor Weston said the \$50,000 reduction was determined to be the savings if the Economic Developer didn't start until January 1, 2009. She next spoke on the street sweeper and her meeting with Mr. Crowley, Fleet Director, who told her that the street sweeper really was on its last legs and any repairs didn't have any guarantees that it will last. She said the time had come not to sink any more money into the old one, and to buy a new one. She asked Councilor



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Callaghan to explain his reduction in legal fees. She said she does agree with the pool rate increases. She asked the City Manager if it was possible not to hire an Engineer, or hire them later in the year.

Councilor Callaghan explained the legal fee reduction as discretionary spending.

Mayor Myers asked the City Manager to speak on the legal fees and the Engineering position. City Manager Joyal said the legal fees already had a significant reduction, and that was a direct result of hiring a City Attorney. He said he did not want the City to sacrifice on getting the appropriate and competent legal advice when it is called for. He said the budget reflects upcoming issues, such as labor negotiations, Tolend landfill issues, and some other items. He referred to the issue of possibly eliminating the Engineering position, and he told the Council that the City has over \$100 million in assets, building, streets, sidewalks, utilities, etc, and felt the City would be negligent not to have the full-time services of a licensed engineer to oversee all of the activity that is related to the maintenance of the City's infrastructure. He said the two engineers that the City has on staff are not able to handle all the engineering work that is required.

Councilor Weston said she would support raising the outside contract rates from \$50.00 per hour to \$65.00 per hour.

Mayor Myers asked the City Manager how that could be done.

City Manager Joyal said it involved two issues. First, he would have to look at any contractual commitments with the organizations. He said he didn't believe there was anything formal with them, so it would be a unilateral Council decision of what to charge when adopting the Budget. Second, he said the City could negotiate formal contracts with these organizations and include all the various fees for the type of service provided. He said his recommendation to the Council was to do it on a case-by-case basis. He said he felt that the City shouldn't try to compete with the private sector.

Councilor Cheney asked if Chief Colarusso could explain the Mounted Police and the costs involved.

Chief Colarusso said the cost of the Mounted Patrol is just for the officers riding the horses. He said the FY2009 Budget had no money for the horses or the facilities, because it was all donated to the City. He said they have 25 volunteers to help with the horses.

Councilor Callaghan asked about the effectiveness of a police officer on a horse, versus being in a cruiser or walking.

Chief Colarusso spoke of the connection with citizens because of the horses. He said they are able to do enforcement. He said they have a lot of downtown support from businesses and get donations and fundraising efforts from them.

Councilor Cheney spoke about the street sweeper. She said she had a few problems with allocating \$175,000 to buy a street sweeper out of the General Fund this year. First, she said the City could fix the old one. Second, she felt that something new might be coming that will be better. She said the economic times are forcing everyone to feel the pinch somewhere, and to put things off. She said she would support some money in the budget for the street sweeper, whether that is to get contracted services and look at this at the next budget, or fix the old one. She addressed the Economic Developer position, and said she had strong feelings about this item. She said \$95,000 was held as a placeholder this year for this position, and the City ended up spending it on other things. She said that last year she wanted DBIDA to come before the Council to describe what the position would entail. This year DBIDA came before the Council



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and said they wanted \$145,000 for a three year commitment, or nothing. She said she did believe in an Economic Director, but felt the Council had to wait. She said the Council has taken some things out of the budget that are there, such as the fireworks and arts festival. She said the Economic Developer is looking for things like that to sell the image of the City. She felt it wasn't logical to get rid of things the City has in order to get something we don't have yet, and hasn't been solidified for the Council. She said the Council should be sure that their constituents want an Economic Developer, because she felt some of the Councilors had lost touch with their constituents' wants. She also wanted to remind the Council that as such they can allocate money at any time throughout the year. She referred back to the cuts, and felt the Council should put back in the Dover Main Street, Cochecho Arts Festival, lights, and some streets. She said the City should get the Economic Developer, but the Council needs to have more workshops and documentation on this issue.

Councilor Trefethen had a few comments on Councilor Callaghan's worksheet. First, he said he agreed that the corporate rates for the pool do need to be looked at, but raising it too much might cause people not do it at all, and that they possibly came to the City because of the low rate. Second, he spoke on the rate for corporate services, and said if the Council is assured that the work is there and the City can recoup expenses, adding an additional person may be a good idea. He also talked about adding one more full-time person, when the City feels we have too many employees and retirement issues in Concord. He said he has learned as Councilor that many times he thinks his idea will earn some money and it doesn't. He said he wouldn't want to rush into this.

Councilor Scott said he agreed with Councilor Cheney about DBIDA, but for different reasons. He said the economy is not good and is getting worse. He said banking is suffering, and that will hurt new businesses trying to get financing to start a business in Dover. He said real estate is down, and businesses related to real estate are down, such as carpentry, plumbing, electrical, and building materials. He said driving is down, and the car dealerships are suffering. He said the definition of DBIDA and how it will be measured is still vague. He said it may be a good idea when the economy comes back, but it was his opinion that it wasn't coming back for at least two years. He felt that in two years maybe the Council could define what the Council expects, and have some general ideas of how it can be measured. He said he could not support DBIDA, even in a reduced manner. He asked the City Manager to explain DoverNet allocations.

City Manager Joyal said the entire IT infrastructure is supported and accounted for in the DoverNet Fund. He said in the DoverNet Fund is the half-time director and full-time administrator. He said the costs are recovered by allocating it back to the various cost centers that rely on the IT infrastructure. The funds derived go towards the IT infrastructure, and also include a 10-15 year replacement schedule for equipment and servers.

Councilor Scott said there was \$545,000 in the budget this year for DoverNet, and that is the cost including their maintenance.

City Manager Joyal said he was comparing apples and oranges. He explained that there is the cost of the IT infrastructure in the DoverNet Fund, but also included is the allocation for the operation of the Cable Access Channels. He said \$250,000 of the \$500,000 is from the Cable Franchise. He explained that this was money from Comcast which had to be used to maintain and improve equipment: a new studio in the McConnell Center, adding new facilities at the high school, and adding a new local access channel that was for educational purposes.



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Councilor Scott referred to Account #4941, General Government Buildings. He asked the City Manager to explain the 50% increase from 2006 to the 2009 proposed budget. City Manager Joyal said in 2006 he believed that in 2006, General Government Building was made up of custodial services and other items that are no longer reflected in this Fund. He said that in 2006 the McConnell Center amount was prior to the renovation of the building. He said that in the Proposed Budget for 2009, the General Government Building under Community Services is primarily for City Hall and the Veteran's Building. He said under Recreation, there is the McConnell Center, which reflects the tenants in there using electricity, water, and custodial services for the full operation of that building. He said that in 2006 the building was not fully operational.

Councilor Scott asked about the \$300,000 increase in Account 4941.

City Manager Joyal said the building was 100% renovated and occupancy has increased seven-fold.

Councilor Scott asked if it was primarily the McConnell Center and a reflection of the debt service.

City Manager Joyal said it was probably the additional debt service associated with the renovations.

Councilor Scott referred to last year's problem with a piece being omitted.

City Manager Joyal said last year the City had an Interim Finance Director who accounted the amortization schedule for the building over a 21 year period instead of 20 years. He said he discovered that in September, 2007. He said that affected accounts in the Bond Fund.

Councilor Scott asked if the Council could assume that the \$300,000, in addition to what was spent in 2006, is likely to continue every year.

City Manager Joyal said that is likely to be the amount every year, fluctuating based on operating costs for the building.

Councilor Scott asked if it was offset by rent.

City Manager Joyal said all of the \$700,000 is funded by revenues from user fees and rental income.

Councilor Scott said most of the rent was from City Departments.

City Manager Joyal said the City's portion was 41 to 42 percent.

Councilor Scott asked about the Telecommunication budget of \$150,000. He said Councilor Callaghan showed that this really is \$240,000. He said Rochester spent \$105,000 in telecommunications, and he wondered if this was an area where the City could save money.

City Manager Joyal said they went out to bid for telecommunications and found no one could come close to the service we have currently.

Councilor Scott asked if the City just has too many phones.

City Manager Joyal said he relies on the judgment of his IT staff and department heads to determine the needs of their departments, and he feels they are comfortable that they have the right number of lines.

Councilor Scott asked the City Manager is he was going to provide a list of where he was going to find the \$770,000 to cover overages for this year's budget. He felt it would be a good guide to be able to look at those accounts and save some money for next year's budget.

City Manager Joyal said he was in the process of assembling the list. He said it was not \$770,000, because included in that was \$330,000 for debt service, of which \$163,000 is attributed to school debt. He said he made adjustments in operations to make sure the City had



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sufficient funds at the end of the year to cover those overages. He said he put on a hiring freeze. He said the Council could eliminate those positions, but the work is still there to be done. He felt there was nothing to be gained there. He said when they did hire for positions, it went from full-time to part-time positions. He said there were significant savings with that because we're eliminating the benefits costs.

Councilor Scott said he would still like to see the list.

City Manager Joyal said he would get him a list. He also said the Proposed Budget reflects all of the adjustments made in the past year. He just didn't want the Council to look at the list and think they can cut everything from the Budget. He said the savings were all a result of deferring staffing hiring, making changes in staffing and eliminating positions in this current year. He said these changes are already included in the Proposed Budget.

Councilor Callaghan went over adjustments to the list of changes he created. He went on to say that he is very opposed to the Economic Developer position. He said he wanted measures, and felt that it hasn't been thought out enough. He said he also wants the list of the cash on hand for FY2008. He said he felt the City should fix the street sweeper, because he is not convinced the needed repairs will not add to the lifetime of it.

Councilor Trefethen asked to find consensus on the items. He doesn't feel that talking about these items a long time will change anyone's vote.

Councilor Dede said the work done by Councilors Weston and Trefethen is admirable. He doesn't like the comments that it can wait until next year, thinking that next year will be easier. He said the City of Dover has a spending cap, but the State and County don't. When the County has a bill to pay, the City of Dover pays 25% of it. He said Commissioner Maglaras said there were changes coming about the way Welfare is administered, with \$9 million in cuts.

Mayor Myers asked Councilor Trefethen to use his worksheet as a starting point for deliberations at the June 4, 2008 Workshop. He asked the Council if this was the general consensus.

Councilor Callaghan said the new list doesn't include items from his list. He said he would like to see all the information put together.

Mayor Myers said his only concern was the conflict in some of his numbers. He said if it was the will of the Council, to use Councilors Trefethen and Weston's proposal as a starting point. He said it doesn't prevent further discussions on other items.

Councilor Callaghan said he was opposed to that.

Mayor Myers said it seems four Councilors agree that the Trefethen/Weston list is a better starting point, but everything will be available. He said nothing is locked in.

Councilor Weston said she agreed with Councilor Callaghan. She said that the Trefethen/Weston proposal addressed 11 items. She asked that Councilor Callaghan draw up a spreadsheet with both numbers to show where we are. She said to Councilor Callaghan that his revenues are a lot higher. She said she got hers from the City Manager. She asked Councilor Callaghan to start with her number for revenues and then look at additional.

Councilor Scott complimented all three councilors for laying out a very good path for the Council. He didn't think the Council spent enough time on the source of funds. He said two major sources of funds amount to \$200,000: the Economic Developer and street sweeper.

Councilor Cheney asked again for the list that identified the savings by the City Manager. She asked about the agenda for the June 4, 2008 Special Meeting and the other issues besides voting on the budget.



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Mayor Myers said the Resolution is just to be referred to Public Hearing on June 11, 2008. Councilor Cheney asked what would happen on June 11, 2008 if it was not done on June 4, 2008.

Mayor Myers said the Council will have to make a decision.

Councilor Weston asked about telecommunications, and how many years we have in the contract.

City Manager Joyal said it was a five year contract with Bayring cycle, and was currently in the second or third year. He said when the contract is up the City will go out to bid.

Councilor Trefethen said he was looking at combining the spreadsheets, and he was willing to do that for tomorrow night. He asked Councilor Callaghan to be available by email.

Councilor Callaghan asked about maintaining the Library hours. He asked Cathy Beaudoin, Library Director, to come up and explain how she retains the hours.

Ms. Beaudoin said she knew once the Library lost hours it probably won't get them back. She agreed with Councilor Dede that next year won't be better. She came up with a proposal that by very tight scheduling and moving people around, that with \$15,000 the Library could restore those 5½ hours. She asked the Council to re-label the \$15,000 for Library carpet to Restore Library hours. She said that yesterday [June 2, 2008] somebody pledged a \$10,000 donation towards carpeting for the Library.

Councilor Cheney asked if \$15,000 from the generous donations will replace some of the carpets.

Ms. Beaudoin said she didn't know how far it would go, but felt it would replace the carpets on the stairwells and the really troublesome spots.

3. Adjourn

Councilor Dede made a motion to adjourn; seconded by Councilor Weston.

Vote: 7/0.