

CITY OF DOVER

CITY COUNCIL – MINUTES

DRAFT

Meeting Type: Workshop
Meeting Location: City Hall
Meeting Date: July 16, 2008
Meeting Time: 7:00 pm

1. PLEDGE OF ALLEGIANCE

Councilor McCusker led the Pledge of Allegiance.

Present: Mayor Myers, Councilors Callaghan, Cheney, DeDe, McCusker, Scott, Trefethen.

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

Absent: Councilor Weston.

Mayor Myers gave some background information on the agenda items. He spoke of the ongoing proposed contract between the City of Dover and the Dover Business and Industrial Development Authority (DBIDA) to hire an Economic Development Director. He said the second item for discussion concerned the Ordinance to create the Dover Energy Committee. He said the last item for discussion will be led by the City Manager, discussing the Energy Service Performance Contract.

Mayor Myers mentioned that Councilor Weston was absent due to the death of her father. He said the Council wishes her and her family the best as they go through this time of mourning.

2. ECONOMIC DEVELOPMENT PROGRAM

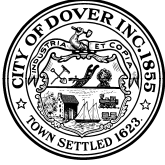
Mayor Myers said there have been a few questions that the Council has been hung up on with this program. First, was DBIDA performing the services and contracting the Economic Development Director? Second, why the contract should be for three years. He introduced Tim Dargan, Chairman, DBIDA, and asked him to speak on this item.

Mr. Dargan said he didn't have a written presentation for the Council, because he felt they went over these issues in the April Workshop, along with the Summit in March. He said he wanted to answer any questions the Council may have regarding the proposal. He said it came out in the Summit that the Committee needed a long-term commitment in order to get a qualified person into this position. He said this is going to be a difficult position to fill, and they would like to get someone with 4-10 years experience. He said a key issue was measurable goals, and asked the Council for their input on what they would like for measurable goals. He spoke of the previous Economic Development Director and her responsibilities. He said the Committee will come to the Council with more regular reports. He said another issue of the Council is who the Economic Development Director will report to. He said the proposal right now is to have the person report to DBIDA. He said the Board would be responsible for the oversight, but the City Manager would be responsible for daily activity. He said by hiring them under DBIDA the money is in the budget, and he felt the Committee would have more success hiring someone.

Mayor Myers introduced the DBIDA Committee members who were also present to answer questions: Brian Gottlob, Steve Wyrsh, Marc Weinstein, Michelle Sawyer, and Mark Geuther.

Councilor DeDe spoke on the issue of who the employee would report to. He asked the members present to give the Council some background information to put into the record.

Mr. Dargan said he has lived in Dover for 15 years. He has been a commercial banker for 20 years within Dover and Strafford County. He said he has been involved in finance for his whole professional career. He has been Chairman of DBIDA since Mayor Myers left the position two or three years ago, and has been on the Board since 2000 or 2001. He said he is also the



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Chairman of Southeastern Economic Development, and they have a paid Economic Development Director that reports to them. He invited the other members to come up to introduce themselves.

Ms. Sawyer introduced herself to the Council. She said she also serves as the Chairperson for Dover Main Street. She currently manages the Executive Director for Dover Main Street, and has a lot of experience in the area of managing someone from a volunteer baseboard. She said she is also the Senior Vice President for Relyco, where she manages over 30 people, including sales and marketing staff. She also serves on the Parking Garage Committee for Dover.

Mr. Gottlob introduced himself to the Council. He said he has lived in Dover for 21 years. He said his first job out of graduate school was for the New Hampshire Department of Economic Development. He said after a year and a half he joined one of the top economic consulting firms in New England. He said after that he was an economist and vice president for fiscal and economic policy, at the largest business organization in New Hampshire. He said he left there to start his own economic consulting firm, where he does labor market, economic fiscal impact analysis, and economic development strategy work.

Mr. Wyrsh introduced himself to the Council. He said he has lived in Dover for five years. He said currently he is the Senior Director of Practice and Operations for the Wentworth Douglass Physician Corporation, managing 22 medical practices throughout the community and approximately 360 personnel. He said prior to that he was a 22-year veteran of the US Navy. He said he retired in Dover because it is a great place to raise kids. He said he was the Chief Operating Officer for the clinic at the Naval Shipyard prior to retiring in Dover.

Mr. Geuther introduced himself to the Council. He said he has lived in Dover for the past 10 years, but lived here previously in the 1980's. He said he is a Project Manager for a Seacoast construction firm located in Rochester. He said he also serves on the Board of Directors for the Dover Chamber of Commerce and a member of the Joint Building Committee for the Woodland Park School.

Mr. Weinstein introduced himself to the Council. He said he has lived in Dover for eight years. He said he is President and Owner of a local insurance agency located in Dover. He said he spends most of his time dealing with both emerging companies and established companies. He said he has dealt with personnel issues and is committed to making this work in the right way. Councilor DeDe thanked the members. He said the City was fortunate to have members of this caliber serving on the Board.

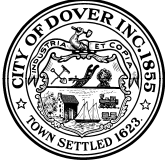
Councilor Scott asked Mr. Dargan if he could create a report for next week that showed how many new businesses came to Dover in the last three years, and what the increase of employment has been as a result.

Mr. Dargan said he couldn't do it in a week. He said he sent out an email before the Budget vote and referred to it. He spoke of Liberty Mutual, Measured Progress, and several new buildings.

Councilor Scott said he wasn't referring to those businesses that are already here, but the new businesses since 2005.

Mr. Dargan referred the Council to the following: the new development on Indian Brook Drive, with Homeward Suites and Margaritas Restaurant; the Seacoast Hospice on County Farm Road; the Microtel at the Hampton Inn. He said there is a new office building going up. Centrix Bank is going to locate here. He said in Enterprise Park there was CPW and Heine USA.

Councilor Scott asked if there could be some sort of report on this.



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City Manager Joyal said this would be something an Economic Development Director would produce.

Mr. Dargan said he does have the difference in assessed value of Enterprise Park. He said in 2005 it was worth \$15 million and in 2008 it is worth \$20 million. He said the net tax revenue increased from \$61,000 in 2005 to \$205,000 in 2008.

Councilor Cheney thanked everyone from DBIDA for their exemplary service. She said she really wants to do what needs to be done to do the right thing for economic development in Dover. She said in order to do that the Council needs a lot of information, and the Board had been very good at providing it in the open meeting in March, but she wants more. She referred to the Strategic Plan for 2008 to 2011, and asked if the Board had a plan before this one.

Mr. Dargan said he didn't believe so. He said the Board was following the City's Master Plan. Mayor Myers said that in the prior year's budget, the Council gave the City Manager direction to outsource Economic Development to DBIDA, and DBIDA has been developing this Strategic Plan for the past six to eight months.

Councilor Cheney said that it may be true that some councilors gave that direction.

Mayor Myers said the Council as a whole did give that direction.

Councilor Cheney said the previous Economic Development Director reported to the City Manager as an employee of the City. She said she didn't know the measures that they had to live up to, because the Council is not permitted to ask for those types of performances as councilors. She said she got the position description, and asked if these were the guidelines they were going to post to hire someone.

Mr. Dargan said the Board would certainly welcome the Council's feedback.

Councilor Cheney referred to the Strategic Action Plan, it says DBIDA is fulfilling a charge established by State Law and assignment by the Dover City Council. She said that was why the Council had to have this information. She referred to "the development of community wide consensus on goals," but the goals are not specific and that is an issue with some of the councilors. She referred to "it is not a process that will be successful if it is taken in bits and starts, and without vision and long-term direction," and said that is where the Board is requiring a three-year commitment. She said she would support the position reporting to DBIDA, but she wanted some solid measurements and asked how DBIDA would report to the Council.

Mr. Dargan said they would report at least quarterly to the Council, and maybe as much as monthly.

Ms. Sawyer said this position will be reporting to the Council and to DBIDA, and from there the questions can be asked and some direction can be given.

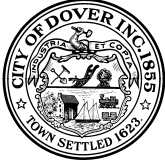
Councilor Cheney asked what the policy review questions were.

Ms. Sawyer said the policies are within the City's Strategic Plan.

Councilor Cheney also referred to the Master Plan, and asked if the new Economic Development Director would have changes or suggestions.

Mr. Dargan agreed that they would.

Councilor Trefethen said the City gives \$5 million a year to the Fire Department. He said the two primary goals of the Fire Department are to put out fires and to provide emergency medical service. He said one of their very important roles is to prevent fires, but they couldn't tell the Council how many fires they prevented. He said the same could be said about the Police Department on how many crimes were prevented. He said the same scenario can be used in how many jobs the Economic Development Director created. He said they may not directly be



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involved in the creation of jobs, but the relationships and support that they are providing to businesses that do seek them out and want to use them can also be shared from business to business without their knowledge. He said the Council either believes the function does good things long term, or it doesn't. He said if the Council believes this would work and is good for the City overall, not just the tax coffers, then it is a small amount of money to spend. Councilor Callaghan said it wasn't fair to compare the services of Police and Fire to business opportunities. He said this is the business of selling, and a market analysis needs to be completed before we can begin. He said the City could use an economic director, but no one has convinced him that the City has the resources to make this work. He said he didn't have a problem with DBIDA managing this position, but felt it left the door open to a lot of things. He also referred to the job description and the need to have the wording changed for job experience.

Mr. Dargan said the intention of DBIDA is to have a quarterback working under the City benefit program. He asked the City Manager to explain.

City Manager Joyal said there were two options and there were pros and cons to each of them. He asked the Council to focus on the scenario where there would be an employment contract with DBIDA that included all wages, benefits and work conditions. He said DBIDA as the employer would define and set that, but they need the funding to do that. He said the City would assist them in processing the payroll check and bookkeeping, because the City already has the resources to do that, but DBIDA will only use the funds that have been allocated to DBIDA. He said if it is considered a full-time City employee, he has to enroll them in the City's insurance plan and retirement system. He said the Board has never discussed hiring a retired person or anyone with an age qualification. He said the Board just wanted to hire the person with the best qualifications.

Mr. Dargan agreed. He said with the allotted money there is enough room to pay the benefits.

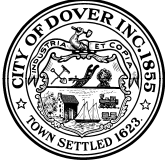
Councilor Callaghan said DBIDA will have to get an employer ID.

City Manager Joyal said they will not have to get an employer ID, because it will be done through the City's payroll. He compared it to the relationship between the City and Dover Main Street.

Councilor Callaghan said if the person is getting paid through the City they are entitled to all the benefits of a City employee. He said the only way to avoid that is if the City was just a payroll service.

City Manager Joyal said this issue was researched with legal counsel and the Labor Department of the State.

Councilor Callaghan said he wanted to see that information to convince him that the employee can be DBIDA's. He also wanted to make sure a criminal background check, and a motor vehicle record check were completed. He said his expectation was that the employee agreement specified that all the City of Dover requirements are met in hiring, in employing, and in termination. He referred the Council to Page 6, Strategic Action Plan, the section on Opportunities for Economic Development Activity, and the section Geographic Areas of Economic Development Activity. He said both of those are not quantified. He said he wanted some economic forecast picture, some percentages of growth. He said most companies say there will be a 5% increase in sales or something.



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Mr. Dargan said that scenario is a case where the employees themselves can actually make direct improvements. He said the Economic Development Director is simply out working among a number of concepts that they don't control.

Councilor Callaghan asked him not to confuse the Strategic Action Plan with the Employee Agreement. He said the Plan needs an objective.

Mr. Wyrsh spoke again on why he moved to Dover, and his opinion that it was a great place to raise kids. He said recently DBIDA was approached by an organization from California that was interested in coming to Dover. He said the functionality of an Economic Development Director is critical in that aspect of selling Dover as a great place to live for their employees. He said he had a choice when he retired from the military, and he could have gone anywhere. He said an Economic Development Director could intercede with a business that wants to come to Dover and start feeding information to the company, and make a significant difference in driving businesses into Dover. He said he was amazed at the turnout for the Economic Summit last March. He said the one message that was made loud and clear was that Dover's businesses are looking for someone to help them to learn, to grow, and to help to have that contact throughout the City so information is shared and passed on.

Councilor Callaghan referred to Item #5 of the agreement between the City and DBIDA. He said all of the expenses for DBIDA comes out of the \$130,000 budgeted.

Mr. Dargan said that was DBIDA's understanding.

Mayor Myers said the budget was for the Economic Development function, and not just a person. He said he asked the City Manager for a report on where the dollars went, and referred the Council to the report.

Councilor Callaghan said the agreement should have more information that relates to termination, dispute resolution clause, liabilities and indemnification, expectations on reporting. He said he would like to see the employment agreement with conditions of compensation in it, and all of the restrictions. He said it should say somewhere what this position's work schedule will be. He said there should be a clause that defines the City's oversight rights.

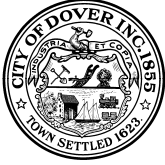
Mr. Dargan said that was all good information. He said they expect the person to work 40 hours a week, five 8-hour days.

Councilor Cheney said she would like to see a legal opinion on this contract.

Mayor Myers referred to the \$85,000 in the budget, and said it was not entirely for the salary, but for the function of the position and office.

Councilor McCusker said he thought of this position as the point person for a network. He said the position will have goals and objectives, but they were ever-changing and difficult to track.

Mayor Myers said DBIDA's role has changed. He said the City doesn't have a lot of available land. He spoke on Councilor Callaghan's issue of getting five new businesses. He said Walgreens came to Dover and didn't come to the City Hall until it was time to get a building permit. He said the big chains do all their own research and the City won't know they are interested in coming to Dover until they are ready to start building and come to the City with specifics. He said the City doesn't control the economy, available space, what type of industry is coming in on property the City doesn't own. He said it is possible to talk about jobs created, and how much the tax base was expanded. He said equally important is how many jobs were retained, companies staying in Dover. He said the Council should ask this person to do these things, but also to bring their expertise to add things. He said the City needs a needs analysis and an inventory of available space. This person can do all this and more.



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Councilor Callaghan said he wants the numbers in the Strategic Plan. He said the Employee Contract would entail what the job really is. He said the reason why he brought up the age issue is not because he wants to hire an older person or set the age group. He said a single person is going to leave as soon as he has some experience and go to a town that offers benefits. He said he is assuming that someone looking really good on their resume has several years of experience.

Councilor Cheney said the resolution is authorizing this person to sign for a three-year funded commitment. She said the Council needs to know the obligation because it will be a different City Council at that time. She said it was \$500,000 that the Council was committing to. She said she needs to see the employment agreement and have it approved by the legal department. She asked if the Economic Development Director could have a permanent spot on the Agenda for City Council meetings to speak if he wanted to, similar to the City Manager's Report and Mayer's Report.

Mayor Myers asked Councilor Callaghan if he could offer any specifics at this point to what he wanted to see clarified, because he felt they were too vague or broad.

Councilor Callaghan referred to Page 3, Dover Economic Discussion, dated March 19, 2008. He said he would like to see percentages of the items listed there to set goals and objectives. He referred to Page 6, Opportunity for Economic Development Activity. He asked why this wasn't done before hiring someone, so the City knows we really do have something to sell.

Mr. Dargan said he doesn't see anyone being able to predict all of those.

City Manager Joyal asked Councilor Callaghan if he wanted the reports to show where the City is at today and then report on trends to what is happening. He said that is what the Economic Development Director would do.

Councilor Callaghan said it needs to be in the employment agreement or it needs to be in how the employee is going to be measured.

Mr. Dargan said DBIDA doesn't want to pigeonhole this employee. He said the Board is hoping to hire someone with experience, and doesn't want to tell them what the Board expects them to do when they have a whole wealth of knowledge, more than the Board, of what can be done.

Councilor Callaghan said he is sensing reluctance to set quantifiable numbers.

City Manager Joyal said to get the numbers that Councilor Callaghan wants is part of what the Economic Development Director job will entail, and also to explain the successes and failures of changes to the Council.

Mr. Gottlob said this is a large task and beyond a volunteer board. He said this position will be involved with the community, and will have to convince not only the Council and Board, but the City that this is successful.

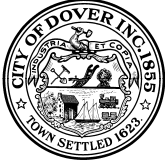
Councilor Cheney said there might have to be some "at will" clause. She commended some of the writing in the Strategic Action Plan and referred the Council to it.

Ms. Sawyer asked Councilor Callaghan, if the Board put in the employment agreement that one of the first actions of the Economic Development Director is to put quantifiable numbers on those items he wanted, would that satisfy his concerns?

Councilor Callaghan said that was what he was asking for.

Mayor Myers said he doesn't think DBIDA will be able to hire someone without City benefits.

City Manager Joyal gave a summary of what the Council needs from the Board. He said Councilor Cheney wants to add a provision that the employment agreement be approved by the Council. Councilor Cheney also mentioned she wants an item on the Agenda for an Economic



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Development Report. Councilor Callaghan wants a baseline of data and a report on changes to that data incorporated into the job requirements. Councilor Cheney wanted a legal opinion on the City doing the administrative services. Councilor Cheney wanted an “at will” clause in the contract. Councilor Cheney wanted the City Attorney to review the contract.

3. DOVER ENERGY COMMITTEE ORDINANCE

Mayor Myers said they brought this to a workshop discussion because some councilors had concerns with this Ordinance. He thanked members of the former committee for being present: Eric Steltzer, Elizabeth Goldman, and Dona Layton.

Councilor Trefethen referred the Council to the handout. He said he took the Ordinance as it was last written and updated some of the wording. He said the biggest change is under Section A, which is basically creating the Committee for three years, and at that time the Council can vote to renew or make permanent. He said he was trying to clarify that the Committee will be making recommendations. He said he spoke with Councilor Weston and without putting words in her mouth, she agreed to the three-year term.

Councilor Cheney said the three-year term was more agreeable.

Councilor McCusker said he didn't agree with the three-year term. He said they have specific interests and expertise in this area, and to restrict it to three years seemed probationary.

Mr. Steltzer said he has looked into the background of other energy committees in the State and doesn't know of any with a sunset clause. He said that he also noted that other communities are looking at how many committees they have and what efforts they can take to combine committees with similar purposes. He said energy issues are not going to go away and will continue to need action. He said the original ordinance didn't have a purpose, and that would be a great addition to help solidify this committee.

Ms. Goldman asked if the Council could disband the Committee if they were deemed not valuable.

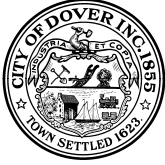
Mayor Myers said that was correct.

Ms. Goldman said that would be preferable to setting a time limit on this work. She referred to Item C.2., “when asked to do so by those other bodies,” and said that could create a situation, if interpreted narrowly, that the Energy Committee's interaction with other committees would be at their discretion, rather than something that could be initiated by the other committees. She referred to C.1., “assist and create recommendations,” and said she would simply say “offer recommendations” to the City's energy policies.

Councilor DeDe said the Ordinance actually gives a purpose, “assist and create recommendations for the City's energy policy and procedures to help develop energy efficiency in renewable energy products, to reduce greenhouse gas emissions, and to help protect the City from fluctuations in future energy costs.” He said he recently asked about the terms for a committee versus a commission, and was told that a committee is usually for a limited term while a commission is long term. He said that after the three-year term the Council at that time would entertain a new ordinance establishing the committee as a commission.

Councilor Scott asked if it was the Committee's intention to hire a consultant.

Mr. Steltzer said the Committee's intention was to limit greenhouse gas emissions and help reduce greenhouse gas emissions from an environmental aspect, and from an economic aspect



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to save money with energy costs. He said the need to hire a consultant would depend on the situation. He said the Council has supported consultants in the past.

Councilor Scott asked if there was anybody on the Committee that he would consider a qualified energy consultant that would do this for Dover at no cost.

Mr. Steltzer said he didn't know of anybody on the committee that was specifically an energy consultant. He said the people on the committee have experience with the Open Lands Committee, the development side of green building, the scientific background, and the energy policy background.

Mayor Myers asked the City Manager if the Council could pass an ordinance that would go off the books in three years.

City Manager Joyal said the Council could pass an ordinance that would sunset, but he didn't think it would automatically come off the books. He said it would have a date, and will be in the Ordinances until it is removed. He suggested that the Council then can do it as a resolution.

Councilor Callaghan said he liked the original resolution for membership, because he felt the staggered terms are helpful. He referred the Council to his handout, which referred to his phone conversation with Dona Layton. His went over his list with the Council.

Mayor Myers discussed Councilor Callaghan's handout. He said the Committee is made up of volunteers, and didn't have the time or equipment to do energy audits. He said he would also be concerned about liability.

Councilor Callaghan agreed with the Mayor's concerns.

Councilor Cheney said she doesn't have an objection to the limit to the administrative code. She said people are worried about spending money on these types of activities. She said she asked for the baseline measurements for energy use in the City.

Councilor Trefethen said he was leaving it purposely broad. He said he doesn't support the "shall nots."

Mayor Myers went down the list. He said no to #1, #3, #4, #5. He said the "shall nots" are not needed if the Council didn't give them the authority.

Mr. Steltzer said he liked the name Dover Energy Advisory Committee. He said they definitely wanted to work in an advisory capacity. He said by leaving the purpose broad it allows the Committee to change with the times. He said he agreed with the Mayor that the Committee should not do audits. He said he did agree with Councilor Callaghan regarding education and outreach to the community.

Ms. Goldman said adding the outreach would be good. She said the first year of the previous committee's work was to create an inventory of assets. She said the Committee can now speak to the City about the energy footprint of the City, and people can then be in the position to set measurable goals.

Councilor Callaghan asked Mr. Steltzer about the outreach training, and at what level he saw the Committee performing training.

Mr. Steltzer said it is an education campaign to the community and the municipality. He said they don't know the level, and they might find that they are overwhelmed. He hopes the businesses understand that they are a volunteer board.

Ms. Layton said the outreach aspect will evolve over time. She said she envisions it as workshops open to the public right now.

Mayor Myers asked where the Council wanted to go from here.



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Councilor Trefethen said on his wording, he would add Section C.3. and put in the educational outreach aspect there.

Mayor Myers said it should be referred to another reading and public hearing.

Councilor Callaghan said he would like to reword some of the Ordinance to get some balance.

Mayor Myers said there seemed to be a consensus with Councilor Trefethen's proposal. Mayor Myers asked the Council if there was a consensus to have the Ordinance sunset after three years.

Consensus Vote: 5/2.

City Attorney Krans asked Mayor Myers; if there is a time limit does the Council want it to be a resolution instead of an ordinance? City Attorney Krans said the reason for the ordinance is to make it more permanent. He said the Council should pick either a permanent committee by ordinance or a three-year ad-hoc committee by resolution.

Councilor Callaghan said he was in favor of making it permanent.

Councilor Cheney said she would support it being a resolution.

Councilor DeDe said he would support it as a resolution.

Councilor Scott said he would support a resolution.

Councilor McCusker said in the spirit of compromise he was willing to go with a resolution.

Mayor Myers said he would still like to refer this to another reading and public hearing as a resolution. He said it seems to be the consensus to do this as a resolution for three years.

City Manager Joyal asked if they wanted it on the agenda as a public hearing, or referred to public hearing.

Mayor Myers said to put it on the agenda to be referred to a public hearing on August 12, 2008.

Councilor Cheney thanked the members for their patience.

4. ENERGY SERVICES PERFORMANCE CONTRACTING OVERVIEW

City Manager Joyal referred the Council to the items he sent to them. He discussed the article that described what energy performance contracting entails. He said the School Department switched to UNICO and does not want to proceed with the performance contract. He said the City will be entering into this contract alone.

Councilor Cheney said they also will provide training and engineering.

City Manager Joyal said that would be with ESCO.

Councilor Cheney asked if that would be who the City uses.

City Manager Joyal said American Development Inc. (ADI) is the City's representative, and the City will be finalizing a contract with ESCO for the July 23, 2008 Agenda.

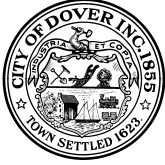
Councilor Cheney asked what would happen if rates drop.

City Manager Joyal said some have rate adjustments, where they look at consumption. The City doesn't realize the benefits if the rates go down.

Councilor Cheney said the City is spending the savings.

City Manager Joyal said that was correct, but the City wasn't going to realize the savings unless the money is spent. He said this opportunity lets the City improve buildings with funds it didn't have available. He said the City is making these improvements without having to sacrifice something else in the budget. He said this is a guaranteed period of 10 years.

Councilor Cheney asked the City Manager if he had implemented the time period for debt repayment to coincide with the guarantee period. She asked if the contract for the City that had



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just ended for 10 years was also the guaranteed period. She also asked; the City didn't realize a savings in the previous contract and the company paid back the City?

City Manager Joyal said the guaranteed period was ten years, and did coincide with the contract period. He said the City is getting a guaranteed contract for ten years that says the energy improvements that they put in will generate savings in a payback within the same 10 year period. He said the City is financing those improvements with the savings from those improvements.

Councilor Cheney asked again why the City didn't realize the savings last time.

City Manager Joyal said it was for two reasons. First, he said they had no technical representatives that were experienced in the energy performance contracting when the City went into that process 11 years ago. He said it was also relatively new and it was a smaller company that the City entered into a contract with, and as a result he felt there was some engineering that wasn't done the way it could have been done. The bottom line is the City didn't have that risk, the contracting company did.

Councilor Cheney asked about the information for past years, the figures that she felt the Council needed.

City Manager Joyal said all that information was in the Energy Report that was provided to the Council in April, 2008. He said the City has very consistent energy patterns. He referred to his handouts and discussed the figures in them.

Councilor McCusker asked if the contract has the ability to have a performance bond.

City Manager Joyal said that was essentially what it is. He said it does have a financial guarantee behind it. He said he will have a presentation next week where the vendor will explain the investment grade audit. He said the performance contract will come back before the Council, and that is when they will see the performance guarantee.

Councilor Scott asked who the City used before and how much was paid to them.

City Manager Joyal said the company was Landis and Gyr, and they were bought out by Siemens. He said over the course of ten years they paid the City \$400,000 in rebates.

Councilor Scott asked if the City Manager was going to go out to bid with other companies.

City Manager Joyal said this has already gone out to bid. He said they received three bids from Energy Services Companies; Seimens, Johnson Controls, and Ameresco.

Councilor Scott asked what the scoping audit cost.

City Manager Joyal said it cost \$65,000, including the school, of which \$50,000 was grant funded and the remaining amount was out of the contingency fund. He said the vendor will be present at the July 23, 2008 meeting to answer questions.

Councilor Cheney asked if the Council will be voting on this next week.

City Manager Joyal said he would be asking for a vote to authorize the City Manager to enter into a Letter of Intent with the recommended company to proceed with an investment grade audit.

Councilor Cheney made a motion to suspend the rules to extend the workshop past 10:30 pm. The motion was not seconded.

5. ADJOURN

Councilor Trefethen made a motion to adjourn; seconded by Councilor McCusker.

Vote: 7/0.