



CITY OF DOVER

CITY COUNCIL - MINUTES

Meeting Type: Special Meeting
Meeting Location: Council Chambers - 288 Central Avenue, Dover, NH 03820
Meeting Date: **Wednesday, June 3, 2009**
Meeting Time: **To follow Workshop Session**

1. ROLL CALL

Present: Mayor Myers, Deputy Mayor Trefethen, Councilors Callaghan, Carrier, Cheney, DeDe, McCusker, Scott and Weston.

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

2. CITIZEN'S FORUM

Citizens are invited to speak on the subject matter of the FY 2010 Budget Resolution on this Agenda, in accordance with City Council Rules. Statements shall be limited to five minutes.

Mayor Myers, seeing no one wishing to speak, closed the Citizen's Forum.

3. RESOLUTION: FISCAL YEAR 2010 BUDGET APPROPRIATIONS, FEES AND CAPITAL IMPROVEMENTS PROGRAM SPONSORED BY MAYOR MYERS BY REQUEST

Deputy Mayor Trefethen moved for its approval; seconded by Councilor DeDe.
Deputy Mayor Trefethen made a motion to amend the budget to reduce health insurance across multiple lines in the budget by \$181,362; seconded by Councilor DeDe.
Vote: 9/0.

Deputy Mayor Trefethen made a motion to amend the budget to increase funding to Dover Main Street \$10,000; seconded by Councilor Weston.
Mayor Myers said this would bring the total amount in the budget to \$15,000 for Dover Main Street.
Vote: 9/0.

Deputy Mayor Trefethen made a motion to amend the budget to restore funding to the Cochecho Arts Festival for \$10,000; seconded by Councilors Weston and Carrier.
Vote: 9/0.

Deputy Mayor Trefethen made a motion to amend the budget to add \$10,000 for the 2010 fireworks; seconded by Councilor Carrier.
Deputy Mayor Trefethen commented that he viewed these items not only as consensus of the Council, but from the community as well. He said when an overwhelming majority wants something; it becomes a need in his opinion.
Vote: 9/0.

Deputy Mayor Trefethen made a motion to amend the budget to restore \$10,000 to the Library budget for priority hours, which are for Saturday hours; seconded by Councilor Weston.
Deputy Mayor Trefethen said he liked Councilor Weston's suggestion of shifting hours on Wednesday to 12:00 noon to 8:30 pm, because it helps those who work.
Councilor Callaghan said he felt it should be \$30,000 to keep the Library on its current schedule.



CITY OF DOVER

CITY COUNCIL - MINUTES

Meeting Type: Special Meeting
Meeting Location: Council Chambers - 288 Central Avenue, Dover, NH 03820
Meeting Date: **Wednesday, June 3, 2009**
Meeting Time: **To follow Workshop Session**

Mayor Myers told Councilor Callaghan that he would have to ask for a friendly amendment, or let the Council vote on the \$10,000 and then he could ask for an additional \$20,000.

Councilor Callaghan asked to make a friendly amendment.

Mayor Myers asked for a vote on adding \$10,000 to the Library budget.

Vote: 9/0.

Deputy Mayor Trefethen made a motion to amend the budget to restore \$17,000 to the Compensated Absences Fund; seconded by Councilor DeDe.

Vote: 9/0.

Deputy Mayor Trefethen made a motion to amend the budget to restore \$75,178 to the Debt Service for the Capital Improvements Plan of General Streets, so the Council can borrow the money that it originally planned to borrow; seconded by Councilor Carrier.

Deputy Mayor Trefethen said this is the number one priority of the City, and the City needs to be more diligent.

Councilor Cheney said she didn't like where the debt service was headed.

Vote: 9/0.

Deputy Mayor Trefethen said he started out with a reduction of \$181,362, and added back in \$132,178, leaving \$49,184.

Councilor Weston made a motion to amend the budget to restore \$10,000 to the Indoor Pool hours; seconded by Councilor Callaghan.

Vote: 9/0.

Councilor Weston made a motion to amend the budget to add \$39,184 to the snow removal line item; seconded by Councilor DeDe.

Deputy Mayor Trefethen said he wasn't necessarily opposed to this, but he felt it wasn't the right place to put the money. He said he would prefer that the money go into contingency.

Councilor DeDe said having it in snow removal is just as good as contingency.

Vote: 6/3; Passed. Deputy Mayor Trefethen, Councilors Callaghan and Cheney were opposed.

Councilor Weston said the Council has spent the full \$181,362.

Mayor Myers asked the Council if they had any more amendments.

Councilor Callaghan made a motion to take the \$181,362 out of the bottom line for the Fiscal Year 2010 Budget.

Mayor Myers asked Councilor Callaghan to state where in the budget to direct the City Manager to take the money from.

Councilor Callaghan made a motion to reduce \$10,000 from Page 335, 1000, General Fund Line Item 45121, McConnell Recreation to fund the Cochecho Arts Festival; seconded by Councilor Scott.

Councilor Cheney said the \$181,362 should be out of the budget and returned to the taxpayers. She said she would look for the Council to find reductions to offset what was just added in, or to



CITY OF DOVER

CITY COUNCIL - MINUTES

Meeting Type: Special Meeting
Meeting Location: Council Chambers - 288 Central Avenue, Dover, NH 03820
Meeting Date: **Wednesday, June 3, 2009**
Meeting Time: **To follow Workshop Session**

have the City Manager find the funding for these amended items. She said she would support this reduction.

Deputy Mayor Trefethen said this was a 100% philosophical disagreement. He said the City Manager's proposed budget included the \$181,362 in the healthcare line item. He said it is not found money. He said it is in the budget until the Council does something about it. He said it doesn't magically go away because the company lowered their rates. He said when the electric company lowered their rates; the amount that was appropriated by the City was not automatically reduced. He said he didn't believe there was any consideration when you start taking money from these other programs, and the Council doesn't know what the impact would be.

Councilor Weston asked the City Manager what the tax impact would be on \$181,000 if it was returned to the taxpayers.

City Manager Joyal said the tax impact would be \$0.07 per \$1,000.

Vote: 3/6; Failed. Councilors Callaghan, Cheney and Scott voted in favor.

Councilor Cheney made a motion to amend the fee schedule for the Outdoor Pool and freeze the rates at last year's rates.

Mayor Myers asked if she was reducing the corresponding revenue line item.

Councilor Cheney said she was not.

Mayor Myers asked for a second to Councilor Cheney's motion.

Councilor Scott seconded the motion.

Councilor Cheney said rates were raised last year on pool fees. She said it was going up quite a bit this year. She felt keeping the rates lower would increase participation, and that might increase the revenue.

City Manager Joyal said there would be an impact on projections he has for revenue, but he would have to look and see what that impact would be.

Deputy Mayor Trefethen asked to make a friendly amendment to freeze just the resident rates.

Councilor Cheney said that would be fine.

Mayor Myers asked for a vote to accept the friendly amendment.

Vote: 8/1; Failed. Councilor DeDe was opposed.

Mayor Myers said it was not unanimous, so the friendly amendment failed.

Councilor Cheney said the Council can increase rates later.

Mayor Myers said he would support this amendment, but felt the Council was charting into dangerous territories without the revenues.

Councilor DeDe asked Recreation Director Gary Bannon if the rates have already been published.

Mr. Bannon said they have been published.

Councilor DeDe said he wouldn't support this.

Councilor Weston asked if it was too late to do a family rate.

Councilor Cheney said that wasn't the motion.

City Manager Joyal said a family rate can be implemented, but he will have to calculate the adjustments to revenue.

Councilor Cheney said even though the rates have been published, it is not set until the Council passes the budget.

Vote: 4/5; Failed. Mayor Myers, Councilors Callaghan, Cheney and Scott voted in favor.



CITY OF DOVER

CITY COUNCIL - MINUTES

Meeting Type: Special Meeting
Meeting Location: Council Chambers - 288 Central Avenue, Dover, NH 03820
Meeting Date: **Wednesday, June 3, 2009**
Meeting Time: **To follow Workshop Session**

Councilor Cheney made a motion that the City Manager set some family rates for the outdoor pool; seconded by Councilor Weston.

Mayor Myers said he wouldn't support that amendment.

Vote: 6/3; Passed. Mayor Myers, Councilors DeDe, and McCusker were opposed.

Councilor DeDe made a motion to adopt the budget as amended.

This motion was not seconded.

Councilor Callaghan made a motion to freeze the resident pool fees until they can be reviewed by the Council; seconded by Councilor Cheney.

Vote: 8/1; Passed. Councilor DeDe was opposed.

Councilor Callaghan made a motion to direct the City Manager to reduce the operating budget by \$300,000 to cover the added expense of the energy contract; seconded by Councilor Scott. Councilor Callaghan said the energy contract is an added burden to the taxpayers of about \$300,000 per year. He said it exceeds what the Council agreed to for our debt finance for capital improvements. He said there are too many citizens that don't want to spend this money. He said the Council needs to give some tax relief to the citizens.

Mayor Myers said he wasn't going to support this, because he disagreed with Councilor Callaghan's logic that this is a \$300,000 expense. He said the cash flow analysis showed that this was a positive cash flow, a savings of energy tied to the bonded expense.

Councilor Callaghan said it may be a positive cash flow, but today it is a tax burden and will be added to the tax bill. He said it was roughly \$30 per year for an average household.

Mayor Myers said he strongly disagreed. He told Councilor Callaghan that he was talking only about the bonding debt side of it, and completely ignoring the savings side of it. He also said there was an overwhelming majority who spoke in favor of it.

Councilor Cheney said she would not support a \$300,000 reduction, because she didn't know what would be cut. She said she did agree with the added burden to the taxpayers, because they won't realize the savings.

Vote: 2/7; Failed. Councilors Callaghan and Scott voted in favor.

Deputy Mayor Trefethen made a motion to amend the Fee Schedule, Page 31, Senior Center Non-Resident rate, to a \$5 increase, instead of \$10, and the corresponding reduction of \$2,400 in estimated revenue, Page 81, Line 3443; seconded by Councilor Callaghan.

Deputy Mayor Trefethen said he was just responding to Citizen's Forum comments.

Councilor Callaghan said he felt this is a good approach to do a little at a time.

Vote: 7/2; Passed. Mayor Myers and Councilor DeDe opposed.

Councilor McCusker made a motion to reduce Page 54, Line 3220, Motor Vehicle Registrations, by \$50,000; and Line 3700, Schools, by \$200,000; seconded by Councilor Carrier.

Councilor McCusker said the Council is trying to decide this budget on projected revenues. He said projected revenues weren't realized last year, and with the economy the way it is, it is possible that they will not be realized this year.



CITY OF DOVER

CITY COUNCIL - MINUTES

Meeting Type: Special Meeting
Meeting Location: Council Chambers - 288 Central Avenue, Dover, NH 03820
Meeting Date: **Wednesday, June 3, 2009**
Meeting Time: **To follow Workshop Session**

Councilor Scott said that was very interesting analysis and asked Councilor McCusker if he also looked at property taxes.

Councilor McCusker said he did not, because the collection rate is decent enough.

Councilor Scott asked the City Manager his opinion on the collections of the property taxes.

City Manager Joyal said with the due date of June 1st, he wouldn't be able to tell the Council that information until the end of the month. He said in December the collection rate had improved over the prior year. He said he was hopeful about the June collection, but he was not willing to make any projections.

Councilor Callaghan asked how this would affect the School Department's budget.

City Manager Joyal said if revenue is adjusted it doesn't affect the expenditure side unless you make a corresponding change on the expenditure side. He said the funds have to be raised somehow, and the State will make up the difference when setting the tax rate.

Councilor Callaghan asked if taking out the \$200,000 would change the School's Budget, because the Council thinks revenues will be less than predicted.

City Manager Joyal said that was correct. He said there are two components to the budget, revenues and expenditures. He said the Council will be reducing nontaxed revenues. He said at the same time the Council will be expecting to raise tax revenues by the same amount. He said there would be no change on the expense side.

Councilor Callaghan asked if the tax levy would be increased to make up for the reduced revenues.

City Manager Joyal said that was correct.

Councilor Callaghan asked if the School would adjust their tax levy calculations.

City Manager Joyal said the State does the tax levy calculations in September or October.

Councilor Callaghan said he was leery about taking a calculated guess. He said the School has prepared their budget based on these numbers, and he presumed they reviewed these numbers and made their determinations. He said he was a little uncomfortable with making the determinations for them. He does agree with the first part of the motion, to reduce \$50,000 for motor vehicle permits. He said he wouldn't support the education reduction.

Councilor Cheney said she wouldn't support levying further taxes to offset unrealized revenues that we don't know about yet. She said she wouldn't support that change.

Mayor Myers asked Councilor McCusker if he wanted to split the motion, or if he was comfortable leaving it the way it is.

Councilor McCusker said he was comfortable leaving it the way it is.

Councilor McCusker made a motion to suspend the rules to continue the Special Meeting past 10:30 pm; seconded by Councilor Weston.

Roll Call Vote: 9/0.

Mayor Myers asked for a vote on the motion to amend the budget: two reductions in revenue; one on Page 54, Line 3220, for \$50,000; the other one on Page 66, Line 3700, for \$200,000.

Vote: 7/2; Passed. Councilors Callaghan and Cheney were opposed.

Councilor Callaghan made a motion to direct the City Manager to find \$20,000 more from somewhere in the budget to restore the current Library budget; seconded by Councilor Cheney.

Vote: 3/6; Failed. Councilors Callaghan, Cheney and Scott voted in favor.



CITY OF DOVER

CITY COUNCIL - MINUTES

Meeting Type: Special Meeting
Meeting Location: Council Chambers - 288 Central Avenue, Dover, NH 03820
Meeting Date: **Wednesday, June 3, 2009**
Meeting Time: **To follow Workshop Session**

Councilor Carrier said he wanted to mention portable toilets for recreational areas. He said it has been told to him that they are no longer provided at places like Garrison School, Horne Street School, Woodman Park School, and Sullivan Park. He said the Dover Chamber of Commerce provides portable toilets at Henry Law Park during the Cochecho Arts Festival. Mayor Myers asked Councilor Carrier for a motion.

Councilor Carrier made a motion to direct the City Manager to find \$1,500 within the Budget to fund portable toilets in five locations: Garrison School, Horne Street School, Woodman Park School, Sullivan Park, and Henry Law Park; seconded by Councilor DeDe.

Councilor Carrier said he felt the \$1,500 would cover July through October. He said a typical portable toilet is about \$50 per month. He felt the public would appreciate it.

Vote: 8/1. Deputy Mayor Trefethen was opposed.

Councilor Callaghan made a motion to release the City Attorney Letter dated June 1, 2009.

Mayor Myers said the Council would have to suspend the rules to address this motion, because the Council is in the middle of the motion to amend the budget.

City Attorney Krans said the rules can be suspended to release the opinion, and then you go back to where you were in the motion to amend the budget. He said it would be cleaner to wait until the motion to amend the budget is completed.

Councilor Callaghan withdrew his motion.

Deputy Mayor Trefethen made a motion to amend the Sewer Enterprise Fund to include the \$75,000 for Pump Station Maintenance; seconded by Councilor DeDe.

Councilor Cheney asked if this is a yearly expense.

City Manager Joyal asked Community Services Director Doug Steele to answer this question.

Mr. Steele said this was a line item for the maintenance of all of the 20 wastewater pump stations in the City.

Mayor Myers said this was just an omission in the budget.

Mr. Steele said that was correct.

Vote: 9/0.

Councilor Cheney made a motion to amend the budget to remove from Page 277, Line Item 4110, the 50% to be funded through Capital Improvements Program. She said she would like that to be funded somewhere else, because she felt this set a bad precedent. Councilor Scott seconded the motion.

Councilor Cheney asked why this position was 50% funded through a loan.

Councilor DeDe asked for a point of order. He said this proposal was in violation of Charter, because it relates to a specific item out of payroll. He said that was the City Manager's prerogative.

City Manager Joyal said Councilor Cheney needed to rephrase the motion, because he felt her intent was something the Council could do. He said she should phrase it that the Council doesn't want to use a Capital Improvements Project to fund this position.



CITY OF DOVER

CITY COUNCIL - MINUTES

Meeting Type: Special Meeting
Meeting Location: Council Chambers - 288 Central Avenue, Dover, NH 03820
Meeting Date: **Wednesday, June 3, 2009**
Meeting Time: **To follow Workshop Session**

Councilor Cheney said she wasn't debating that this position was in the Merit Plan and in the Budget, but just the policy decision to use the Capital Improvements Project to fund \$42,000 for this position.

City Manager Joyal said the rationale for this began in the early 1990s. He said the City had a line item for the City's PRP portion that was for the Tolend Road Landfill. He said the City starting using debt service to fund the Tolend Road Landfill Project. He said it was the project itself that paid 50% of the salary.

Councilor Cheney said she was concerned that other staff positions could be financed with Capital Improvements Program, and would set a precedent. She said she wanted to see where someone's position was funded through the CIP in the past.

City Manager Joyal said expenses are charged against a project, and the Council chose to finance these projects using debt service.

Councilor Cheney said she wanted the funds found somewhere else, because she didn't think the City had to hire someone by taking out a loan.

City Manager Joyal said he would suggest that her amendment be to find another funding source.

Councilor Cheney made a motion to amend the budget to not fund the \$42,000 through the CIP, and to direct the City Manager to find the \$42,000 somewhere else within in the budget.

City Manager Joyal said Finance Director Daniel Lynch had something to add.

Mr. Lynch said Councilor Cheney was only addressing the wage component, \$42,000. He said she also had to consider FICA, Medicare, New Hampshire Retirement System, Health Insurance, and Dental Insurance which has also been allocated based on that position. He said the amount that needs to be found somewhere else is actually \$57,000.

Councilor Cheney made a motion amend the budget to not fund the 50% cost for the position through the CIP, and to direct the City Manager to find the 50% cost for the position somewhere else within in the budget; seconded by Councilor Scott.

City Attorney Krans requested that the Council take Line Item 4110 out of the motion, and move it to Page 267, Personnel Services, so the Council doesn't run into a Charter problem, but will still address Councilor Cheney's concern. He said the motion should be: to restrict the funding sources for personnel services to exclude the CIP.

Councilor Cheney said she would agree to that.

Mayor Myers included: "and to find an alternate funding source."

Councilor Cheney said that was correct.

City Attorney Krans said this would also address Mr. Lynch's concern that we're not just talking about wages, but other benefits.

Mayor Myers asked Councilor Scott if he still wanted to second that motion.

Councilor Scott said he did.

Councilor DeDe referred to the City Manager's analogy that there are City employees on the payroll who perform specific services. He said as a policy it has existed for some time, and this motion would set a policy going forward with future CIP. He didn't feel it was a responsible direction of the Council.

Councilor Scott asked the City Manager if this was the first time this has happened.

City Manager Joyal said no, last year's budget had it for the Environmental Project Manager position. He said 50% of the funds are allocated for the position to work on that project. He said there are different sources of funds that feed that project. He said one source is the charge



CITY OF DOVER

CITY COUNCIL - MINUTES

Meeting Type: Special Meeting
Meeting Location: Council Chambers - 288 Central Avenue, Dover, NH 03820
Meeting Date: **Wednesday, June 3, 2009**
Meeting Time: **To follow Workshop Session**

the City makes to each of the PRPs. He said the City is one of the PRPs, and the City has chosen to finance that charge with debt financing.

Mayor Myers asked if it was possible to have funds allocated to the project, and the money coming in through the PRPs be accounted as a revenue source to pay for this salary, so it is not being paid for with debt service.

City Manager Joyal said the bottom line is if the Council wants \$57,000 from somewhere in the budget to flow into that project fund, or if the Council want to continue to let the debt financing flow in, and a portion is used to pay for this salary.

Mayor Myers said the motion was for the City Manager to make a corresponding cut for \$57,000 somewhere in the budget.

Councilor Callaghan asked if the documents surrounding this project say you may use funds for having the staff manage the project.

City Manager Joyal said he couldn't tell the Councilor the specific details, because agreements have been forged over the last 20 years. He said in concurrence with the EPA it has been worked out that the parties work together to resolve the Tolend Road Landfill issue. He said the City has taken the position that it is the primary coordinator for this project since the Landfill is in the City, and as a result the City has a staff person who deals with all these issues. He said the City has an obligation with the EPA and other PRPs to manage this project. He said the City is using debt financing to fund the whole project, and there are a whole host of expenses that are related to that project. He said there is interest accruing for this project, and not just this person's salary. He said that was the policy question; how does the City want to pay for this project?

Councilor DeDe said the CIP was development, bonding accomplished, and money set aside for this project. He said that money cannot be transferred into the General Fund, and there could be a situation where money is left over that would have to be spent on some other CIP project. He said he felt this would cause unnecessary problems, and he wouldn't be supporting this amendment.

Mayor Myers said he agreed that this is not the best way to do this, and there should be Council policy going forward. He doesn't agree to find a \$57,000 cut to something that was committed to in the past.

Councilor Cheney said this was a new position in a new budget, and didn't think this was the way to go.

Mayor Myers asked for a vote on the motion to amend the budget to not fund 50% of this position through the CIP, and make a \$57,000 reduction somewhere in the budget.

Vote: 3/6; Failed. Councilors Callaghan, Cheney, and Scott voted in favor.

Councilor DeDe made a motion to accept the budget as amended; seconded by Councilor McCusker.

Roll Call Vote: 9/0.

Councilor Callaghan made a motion to release the City Attorney's Letter dated June 1, 2009.

Mayor Myers said Councilor Callaghan needed to make a motion to suspend the rules, because it is not an Agenda item, which would require a 2/3 vote.

Councilor Callaghan made a motion to suspend the rules to add an Agenda item; seconded by Councilor Scott.



CITY OF DOVER

CITY COUNCIL - MINUTES

Meeting Type: Special Meeting
Meeting Location: Council Chambers - 288 Central Avenue, Dover, NH 03820
Meeting Date: **Wednesday, June 3, 2009**
Meeting Time: **To follow Workshop Session**

Mayor Myers asked for a Roll Call Vote on suspending the rules.
Roll Call Vote: 7/2; Passed. Councilors DeDe and McCusker were opposed.
Councilor Callaghan made a motion to release the City Attorney's Letter dated June 1, 2009;
seconded by Councilor Cheney.
Roll Call Vote: 8/1; Passed. Councilor McCusker was opposed.

4. ADJOURN

Councilor DeDe made a motion to adjourn; seconded by Councilor Weston.
Vote: 9/0.