

**MINUTES
SPECIAL MEETING/WORKSHOP
DOVER CITY COUNCIL
WEDNESDAY
MAY 26, 2004
7:00 p.m.**

A. ROLL CALL

Present: Councilor Otis Perry, Councilor Jerry Reese, Councilor Dean Trefethen, Councilor Doug DeDe, Mayor Pro Tem Jason Hindle, Councilor Robert Keays, Councilor Matt Mayberry and Mayor Scott Myers.

Absent: Councilor Darlene Colwell-Ellis.

B. PLEDGE OF ALLEGIANCE

Mayor Pro Tem Hindle led the Pledge of Allegiance.

C. Resolution RE: Dover Dredge Disposal Facility. Sponsored by Mayor Scott Myers, by Request.

Hindle moved to adopt, seconded by Perry.

City Manager Paul Beecher explained that the dredge cell has excess capacity above and beyond what the city and PSNH will need for dredging disposal which means we can look to outside parties to use the facility for a fee and bring in some revenue. We have been approached by a company and this resolution will set the parameters to go ahead and enter into an agreement which could bring in up to \$400,000.

DeDe moved, seconded by Hindle, to amend the Now, Therefore be it resolved section as follows: “The Dover City Council authorizes the City Manager to negotiate and approve contracts ~~to accept the dredge material with interested parties~~ with entities inside and outside the City of Dover to deposit dredge materials that have been approved by the New Hampshire Department of Environmental Services at non-static revisable rates to be no less than 90% of the current prevalent tipping fee rates in the area, and in quantities that will not compromise the capacity of the containment cell to meet the needs of the City of Dover and Public Service of New Hampshire.”,

Dede explained that this allows the Manager to adjust the fees when tipping rates go up and gives him flexibility to negotiate. He stated that is in order to prevent the same thing from happening that went on with the gravel deal that the city got locked into a price and the contractor is making a lot of money out of it and the city is the victim.

Perry asked how do we know what we have for excess capacity when we haven't begun dredging yet and may not be for a while.

Environmental Projects Manager Dean Peschel stated that first the status of the dredging is that Army Corp of Engineers has agreed to make the \$2 million available and we will be able to begin dredging this year as will PSNH. Secondly, regarding the capacity issue, when the Army Corp begins looking at this type of project they take the worse case scenario and add a bulk factor. As we get closer to the dredging, they take better samples and they believe they will need less capacity, and therefore, we have the opportunity to earn revenue with the excess capacity.

Keays asked about the trucks driving back and forth to the facility.

Beecher stated we will have a wash station on site so that after delivery to the cell, the vehicle will be washed down and won't leave a mess on our streets. We can control the times.

Keays wants an assurance that we will have enough capacity for ourselves and that no one will come back to get more because we're short. He stated his feeling is that we should be leaving everything as it is without dredging.

Discussion ensued regarding the 90% figure in the amendment vs. the originally stated minimum fee of \$48.00 per yard. It was stated that it is at a minimum 90% or higher and again gives the City Manager flexibility to negotiate.

Trefethen also discussed capacity stating he understands that there is flexibility in the height of the walls, but is still concerned that when we get ready to develop the waterfront and there is a need to dredge more that we have enough room for that as well.

Beecher stated that this protection is contained within the resolution and we know pretty much within a hundred yards what we need and we won't sell ourselves or PSNH short and retain enough for the waterfront development as well.

Perry asked how long the cell can remain before capping.

Peschel stated the worst case scenario would be 3 years which would be if we have bad winters and lots of ice on the river, but the plan is to be done dredging in 2 years and capped within 6 months after.

Perry stated he is really asking how long the cell CAN remain open for waterfront development reasons.

Peschel stated they could discuss it with the EPA but they would at least want a temporary cap so that there wouldn't be water flowing through it.

Trefethen asked if the \$400,000 would go into the general fund.

Beecher stated yes, but he would like to see the Council direct it to go towards retiring bonds.

Mayor Myers asked what control do we have over the types of materials in the cell.

Peschel explained that we are building this because we have minor contamination in our river and it was an EPA requirement. We cannot accept anything more contaminated than what we have.

Beecher stated that the EPA actually recommended the company contact us. The company is from New Hampshire and is approximately 30-40 minutes away. He stated that we will have full control and will not create a neighborhood disruption.

Motion to amend passed on a 6-2 vote, Keays and Reese opposed.

Main motion as amended passed on a 6-2 roll call vote, Keays and Reese opposed.

D. ADJOURN

Hindle moved to adjourn into workshop session, seconded by Trefethen. Motion passed unanimously.

BUDGET WORKSHOP

A. Continuation of Budget Discussion

Human Services Director Janet Poulin reviewed the Human Services/Youth Resources Budget. She discussed Item #4835, Grants and Subsidies, stating that her department has had the same 3 organizations, Dover Area Sr. Citizens Council, Sexual Assault Support Services and Strafford County CAP for the last 5-7 years. She explained that the Strafford County CAP request for \$11,000 is used for administration purposes but that her department gets that money back from them through the McKinney Grant which helps her out a lot.

The biggest issue facing the Welfare Office is that requests are running rampant and they have no control over it. The federal government is backed up 6-8 months on their claims, which means the city has to pick up those people in the meantime. HUD is also going to change their income level

requirements, which means there will be people who no longer qualify for Section 8 housing but still won't be able to afford their rent in Dover.

The law is specific that the city can't turn people away because there isn't any money and she is already falling short for this year, as are many of the surrounding cities and towns.

DeDe asked if there are any residency requirements and is it law that the city put people on workfare.

Poulin explained that there are no residency requirements, the people could be in town for 10 minutes. She explained that her department has very specific guidelines regarding looking for work for each individual case. They currently use Labor Ready for employment rather than the city workfare because they pay people per diem wages which doesn't cost the city money.

Next she discussed Youth Resources which provides a different type of service and involves both hard and soft services. Soft services are talking/counseling types of programs and hard services involve money. Youth resources is an intervention program as opposed to a prevention program such as DARE and the clients are usually referred by the Police Department or the Court. She explained that the cost of this department is minimal and is mostly the 2 full time personnel which are getting a contracted raise this year, which will be the first they've gotten in many years. Last year when this program was put up to be removed from the budget the kids rallied and spoke at the public hearing because it does help so many kids.

Trefethen stated for the record that he doesn't want Youth Resources cut because it would cost more in the long run if these kids didn't have this outlet.

Reese agrees that it is short-sighted to eliminate this program.

Keays stated that if it is cut, it is the City Manager's decision, not the Council.

Myers agrees that the Council will be looking at this recommendation because we should be intervening with these kids now.

Hindle also agrees. He then asked about Item #4592, Emergency Shelter, and why it is decreased by \$3,000.

Poulin stated that this number would be a lot higher, but because My Friends' Place and Crossroads are receiving CDBG funding, they don't bill her department, even though they could.

Keays asked if there were any repeat youth offenders.

Poulin stated yes.

Keays stated then the program isn't up to par.

Poulin stated that there are always going to be repeat offenders in any program.

Mayberry stated that last year at the public hearing there were kids who spoke that the program helped save their lives and kept them in school. It gives many of them the only place they can talk about problems and feels it is a truly deserving program.

Beecher clarified that this is the 3% recommendation and nothing is final. The full budget is what is going before the public hearing next week.

Assistant City Manager Mike Joyal presented the Executive Department Budget.

Reese asked about the GASBE Accounting Practices and how many other towns are voluntarily cooperating with this requirement. He continued that he has heard that there are those out there that have said enough is enough with this requirement.

Joyal stated that the short answer is that we would be remiss if we didn't try to achieve these standards and it would impact negatively on our bond rating.
(Discussion suspended until Jeff Harrington back in Chambers).

Trefethen asked about item 4213, Council life insurance and is that a necessary item as he feels that he is not an employee of the city.

Joyal stated that yes it is required, but the Councilor could reimburse the city if he chooses.

Dede asked if our auditing services go out to bid.

Joyal stated that yes they went out to bid several years ago.

Item #4835, Grants and Subsidies, the only increase is in the COAST bus subsidy which Joyal explained was due to being under funded in the past and the rising cost of fuel.

Perry asked if the fares have been increased. No answer available.

Mayberry asked why the Main Street account was doubled.

The City Manager stated it is due to the cost of operations.

Mayor Myers asked what the original time frame was that the Main Street Program was supposed to become self-sufficient when it was first implemented in 1999.

Beecher stated that Dover Main Street will be giving a presentation at the next meeting and these questions can be answered then.

Discussion ensued regarding the upcoming 150th anniversary celebration and funding options.

Finance Director Jeff Harrington next addressed Councilor Reese's concerns regarding GASBE stating that this is a mandate and we have almost finished with the preliminary requirements such as audits and inventory and is what cost the most to do and the cost will go down from here.

Discussion ensued.

Next, Item #4344, Legal expenses – Reese asked what were the results of the RFP for outside Counsel and where was it advertised.

Joyal stated that we received only 2 responses and we need at least 3 for a fair comparison. He stated it was advertised in the usual publications, Foster's, Portsmouth Herald which meets our requirements.

Reese stated that this should be advertised outside of the Seacoast area and a State-wide request.

Hindle asked how much has been spent on legal services this year.

Beecher stated probably \$100,000 which is spread throughout various accounts within the budget for different services.

Reese stated that the Council limited the expenditure for Legal Services to Attorney Ciandella to \$25,000 and is concerned that this has not been the case.

Trefethen asked about Joyals' salary and the 20% from Dovertnet and is this a fair percentage of the time actually spent on technology issues.

Joyal stated that the previous council wanted this divided this way to better track actual time and that previously it was more than 20% of his job, but now this is a more accurate figure.

Next discussion ensued regarding various expenditures in Postage, Training, Publications, Membership dues and Travel.

Reese expressed a concern of paying for an attorney to negotiate the cable franchise contract.

Next discussion ensued regarding city vehicles and Fleet Services which are allocated throughout the budget.

DeDe feels that this approach to vehicle accounting effectively obliterates where the real costs are and makes it hard to tell if someone is abusing the privilege of having a vehicle and using it for personal use as there are no mileage logs.

Joyal explained that there are vehicle records which show how much a car is driven, how much fuel is used, etc.

Mayberry asked how many vehicles are registered to the City of Dover.

Joyal stated probably more than 100.

Next, Trefethen discussed about the 3% Manager budget recommendation to eliminate late Wednesday night hours suggesting that City Hall open later one morning a week to accommodate the late hours.

Keays asked why our City Clerk is paid so much less than the other City Department Heads as well as other Clerks in the area.

Trefethen asked about dog licensing and feels that the Clerk's staff has better things to do than send out cards and letters for dog licenses.

Reese explained that this is a State law which must be enforced by the City Clerk's office.

Next, Legal Division, Mayberry asked about the sick leave incentive for George Wattendorf.

Joyal explained that this is in the DPAA contract which provides for a paid incentive of 2 sick days if none of the 10 days of sick time is taken and is based on the rate of pay.

Regarding consulting services, Mayberry asked if it is worth an extra \$20,000 to negotiate the Cable contract.

Joyal stated that some of that money is going towards the right-of-way telephone pole tax issue as well.

Beecher stated that over the years various Councils have asked him to look to legal services for savings and feels that the way it is done now is the most cost effective.

DeDe asked how much time is spent by the City Attorney on prosecuting.

Beecher stated 40% prosecution and 60% on city matters such as trusts, legal filings, document preparation etc.

Trefethen asked about the expenditure for the NH revised statutes and do we need to have a hard copy if it is already available on-line.

Next Mike Joyal asked Business Assistance Director Beth Thompson to address the Council who spoke in response to the recent passage of a Council resolution to cut the Business Assistance budget to \$20,000.

She stated as follows: Let me begin by saying that Economic Development is an art – it's not a science. There is no formula guaranteed to increase jobs and add to the tax revenue, that by visiting 4 companies a week and having 20 specified hours of office time that we are will create 75 jobs and add \$25,000 of assessed value to the community. Yet, the economic developer is charged with maintaining their business community, attracting new businesses, acting as agents of change, and creating a community that is a desirable place to live and do business.

I often tell people that in many ways I'm much like the resource librarian – I know where you need to go but I only have a cursory understanding of the topic. I can read a business plan and evaluate it but I cannot go the next step and approve a loan. I understand the environmental rules but defer to DES on the determination of the plan of action. I always defer to the Code Enforcement Officer on the final determination of the zone to locate a business. I am a Jack of All Trades, and a master of few. I say few, because I am a master at what I do!

Dover is a community of almost 28,000 people with approximately 800 businesses ranging from the one person business shop to the 1200 employee business. I am one person working 35 hours with a budget of \$80,000 trying to be everything to everyone – including each City Council.

Each of those businesses has unique challenges and Dover's economic development department must be in a position to assist them. Some of them need help with financing, some with job training, others have environmental or energy questions, some have space needs problems, and even others are ending their functional life and need to close down. That list can go on ad infinitum. Each year the types of concerns change. At one time we were often dealing with staffing, then it evolved into the quality of the entry level employees, and now it has evolved into workforce housing and day care.

Fortunately, the larger businesses generally have staff that know their way around the state and federal bureaucracy and have already dealt with expansions and relocations. The smaller and younger companies are the ones who need the most help. They are generally in a precarious position where they need to devote their time to remaining successful yet there are issues out there that need to be addressed. That's where we, at the City, step in. Through my successful and vast networking efforts, I am able to bring together the parties that can address these various issues. I do the grunt work and spend the time finding answers and solutions while the businesses can spend the time doing what they do best.

But even the larger businesses need to be nurtured by the City. I've been working with Measured Progress since I started this job 10 years ago and they were known as Advanced Systems. My first interaction was locating space to consolidate several sites and then helping them finance leasehold improvements for 45,000 sq. ft. of the One Washington Center Mill through the BFA and DEDC. I've since spent the last 3 years helping them find a home for their newest corporate center on Sixth Street. I even remember spending several hours one cold New Year's Eve afternoon walking a site and having some very difficult negotiations between the property owner and the business while the City offices closed down for the holiday and everyone else went home. But that's when it could occur and that's when I went.

Yet all of these activities are confidential. The only people who are privy to these activities are Mr. Beecher and whomever the company chooses to tell. I must respect their confidentiality and I must have them trust me. When the announcement was made that Measured Progress had made the decision to build in Dover it would have been very anti-climactic for my department to start bragging then.

For other companies I have helped arrange for employee training both through the Dover Voc Tech Center and through the Community Technical College at Pease. I worked with some of our older companies in addressing their hazardous waste issues in a manner that wouldn't get them fined. I've worked with another company to arrange employee parking while their facility was undergoing building improvements. I've assisted businesses that have suffered catastrophes of one sort or another in getting DELP loans to move into a new building, I've helped them find these new buildings, and I've acted as the intermediary between the business and various city departments so that we have a win-win situation for everyone.

In attracting new businesses it's even more important to have the resources to help these businesses make the right decision. A business moving to a new location not only needs to know about available lots and buildings but they have many other concerns depending on the nature of the business or the move. The concern may be about pre-treatment of their waste flow or the amount of bedrock under the proposed building, or the number of skilled employees in a particular industry that are in the region.

Again, the fledging businesses need the most help. Just Tuesday I had a gentlemen walk into my office from Malaysia. He wants to start a new business in town importing and exporting product to be used in the hospitality industry. I had to set him up with the SBDC to learn all the legalities of starting up a business, I sent him to the International Trade Resource Center at Pease to learn how to do foreign trade here in the US and to do product matching with the foreign companies. I sent him to the Travel and Tourism Dept. at DRED to learn about some of the resources already in the state for him, and then we signed up for a Micro-Credit training class in the library so he could start the financing process. That interview took 45 minutes. He will be back in my office so I can work with him further when he is ready for the next step. Eventually I will work with him when it's time to find a location for this new company. Are there other city staff or departments that could have handled this situation? I don't think so – not without a lot of time and training. And if this gentleman were not able to get the assistance from Dover, what is preventing him from going to Somersworth or Rochester?

That's the basic retention/expansion role I just discussed but there's a whole host of other activities this department does. The primary one is to act as staff support for the DEDC, soon to be DBIA. The DEDC is a volunteer board tasked with developing the industrial park on Sixth Street. While these 9 individuals go about their paid positions in other companies, I market the park, answer questions about it, show the park, and act as liaison between DEDC and the various companies. It takes many months of work between initial contact and signing a P&S and getting construction underway. I've read in the papers that the duties between the department and DEDC are perhaps duplicitous. I hardly think so. Which one of these board members is able to sit in my office and answer my phone and emails about the park during the week? Who is able to come to Dover to show the park to prospective tenants? When decisions are made at the board level, who will be available to implement them?

I also sit on various committees at the Chamber. It was suggested that my time was too valuable to be at these meetings. I disagree. When the Chamber committees discuss education or tourism or the waterfront, I cannot in good conscience remain uninvolved while at the same time professing my support of these issues. How can I tell a business that the Dover Economic Development department understands their frustration with the level of skills the entry level worker has without being that agent of change?

It has also been suggested that I spend too much time out of the office. Well, I get crucified for staying in the office too much or for not being here enough. The answer is that I need to be out networking and learning – and the more the better. If I don't know these people or update my skills and knowledge, then I am doing a disservice to this community and our businesses. Not only are my contacts a business resource, but they are, in effect, a part of my business retention/attraction team. The parties I network with know me, they know the community and they know what types of things I need to be aware of.

I also keep myself closely in touch with City activities. I know many of you see me at a variety of meetings besides the Planning Board and Council. I need to make sure that the needs of the business community are met when we are doing things that could potentially impact them such as fixing the traffic flow in the downtown. I don't go to these meetings because I find the topics particularly engaging, I go because I wouldn't be doing my job if I weren't looking out for my businesses.

Do I have any challenges in fulfilling my responsibilities? I certainly do. The greatest challenge is that I am one person working 35+ hours trying to assist 800 businesses, create more jobs and tax revenue and add to the quality of life in Dover for everyone. But I will tell you this, I do a commendable job. I am proud of my skills and knowledge and you should be too. Instead of vilifying me and trying to remake the department, give me some more help so we can accomplish something meaningful. I'm sure you read the paper this afternoon. Rochester, who recently went

through the painful exercise of eliminating economic development has recently reinstated it and the citizens are making is clear that they support economic development and want to increase the budget. Dover has always been a leader in the seacoast and in the state. We shouldn't be following in the footsteps of others.

Many of you will criticize the department for businesses that have closed. Unfortunately no amount of assistance could change that course. The nature of business in NH and the United States is changing. These businesses were destined to close. In each instance we worked with DRED. The division and Commissioner Bald were involved and in the end, we made sure the Rapid Response Team was in town assisting these displaced workers, making sure they received their benefits or learning new skills. **(Conclusion of Beth Thompson's remarks)**

Mayor Myers stated that the Dover Economic Development Corp is a Board of volunteers and does not have a budget therefore it is not viable for it to be a lead horse for economic development. He feels that there should be proactive discussions on this issue and perhaps develop a new format with manageable and measurable targets.

Mayberry stated that he has ideas for economic development which he has shared with Mr. Beecher.

Beecher stated he will defer discussion of this until next week after the public hearing as the department heads are here tonight to answer Councilors budget questions.

Joyal reviewed the background and history of Dovernet and the former company Rocket Science who had been the support system for this venture. He explained that since that company went out of business they have been lucky enough to hire 2 former employees of that company, one full time and one part time, to be the in-house technical support.

DeDe asked if the city attempted to rebid this out.

Joyal stated yes in the spring of 2003 but we were unable to find a company that could provide the scope of services that we had previously been provided and continue to need.

DeDe stated that this adds employees and future liability for the city and feels that another RFP should have been put out rather than hiring staff.

Discussion ensued regarding the scope of responsibility for the entire Dovernet including the schools and library system.

Trefethen stated that his opinion is that we should be outsourcing this service, but if we are going to have in-house staff, he is concerned with Account 4440 staff development for \$3,000 and wonders if this is enough to keep our staff up-to-date in the technology which is ever-changing.

Mayberry asked about the total assessed value and what is the projection for this year.

Jeff Harrington explained the assessment process.

Planning Department – Steve Stancel presented his 3% budget.

Perry discussed the Strafford Regional Planning Commission and the various activities and responsibilities including representing the City on the MPO. He stated that if the City of Dover discontinues membership on the SPRC then we would lose our seats on the MPO.

Stancel stated that the city would not lose the seats on the MPO, but does agree that the SRPC provides the city with valuable services such as Exit 10 and Little Bay bridge project support.

Trefethen asked if our planning staff sits on the board then are we creating a circle that feeds on itself.

Stancel explained that we have 4 representatives on the SRPC, but none of them are Planning staff. He stated we used to receive services such as traffic counts, neighborhood meeting organization, etc, but then the SRPC began charging for these services, so our own staff does these things now. He stated he has requested a list from SRPC for services they have provided to the City over the last 2 years.

Police Department – Chief William Fenniman reviewed his cuts to meet the 3% figure.

Perry stated the City Manager of Rochester is looking to Strafford County for its dispatch services and asked if that would make sense for Dover.

Fenniman stated no, and that there are communities looking to come to Dover.

Trefethen asked about the mobile notebook computers stating that the price of these seems high and is there something special about them.

Fenniman explained that they are “tough man” notebooks with a different shell casing and keys that can withstand being out in the field with the police officers. He stated the maintenance agreements are excellent, but the current agreements are running out.

DeDe asked if the Chief if he is not against regionalization of dispatch services as long as it goes through Dover.

Fenniman stated that our system is totally different than the County and some people prefer of CAD system. He stated that there are also supervisory issues involved.

Myers asked about the ¼ million reduction in field operations stating there are no positions being cut, so is it all in overtime.

Fenniman stated he has made cuts throughout the organization to get to the 3% and that no overtime has been cut except in Dispatch services.

Keays asked about the \$15,000 in consulting services.

Fenniman explained that this is the fee for Cocheco Valley Humane Society to board stray dogs.

Fire Department - Chief Perry Plummer explained that he based his cuts on safety concerns. He stated that staff development and Overtime were his lowest priority to cut.

Trefethen stated he doesn't understand cutting the contracted fitness testing as it is a requirement of the labor contracts.

Plummer explained that they had planned to upgrade the fitness testing which is currently done in-house but is antiquated, but they would have to continue with that.

Trefethen asked about the elimination of 2 defibrillation units and would we be able to keep them if we changed the rates for them.

Plummer stated that the fee is set by Medicare and if we charge more than that, we wouldn't get reimbursement.

Mayberry asked about overtime to cover shifts.

Plummer explained the scheduling of staff during vacations and sick leave.

Community Services – Pete Lavoie reviewed the changes to his budget to achieve the 3% directive. He also introduced Mike Morrison in the audience who was available to answer questions regarding the West Nile Virus.

DeDe stated he has listened to several presentations and so far the one consistency is that there are no reductions in supervisory staff or consolidation of responsibilities, when personnel is the number one killer in the budget.

Mr. Beecher responded by stating that since he has been City Manager (approximate 12 years) they have gone through consolidation a number of times. He stated that our supervisors are working in the field every day and not just sitting behind a desk supervising. When the Community Services Department was consolidated 7 years ago, 3 department heads were eliminated. He feels that the Council has not asked him any questions about what has happened in the past.

Lavoie also explained the consolidation at the Wastewater Treatment Plant and the elimination of several supervisory positions through that process as well. He feels that his supervisors work as part of a team with the rest of the staff.

DeDe stated it is the role of the Council to make sure what is being spent is reasonable and feels that in the economy it isn't reasonable. He feels that we should be looking for even more opportunities for consolidation and that it could have and should have been part of the budget presentations.

Mr. Beecher stated that services are provided by people and doesn't feel we are overstaffed. All city services have a constituency and he doesn't make his cuts to upset people, but he feels that people want service more than holiday lighting, etc.

Mayberry turned to the facilities and grounds division as an example of places to cut such as planting of trees and travel for a cemetery coordinator and feels that it is doable.

Keays discussed the spreaders for the sand/salt trucks stating that there is already something in the trucks that do this already.

Lavoie explained that there are errors with the current equipment due to speed of the trucks. Keays asked about the gravel fund and isn't it supposed to be used for ball fields and benches etc. Lavoie stated that 10% is for maintenance and the rest is for new construction.

Hindle moved to suspend the rules to go past 10:30, seconded by Mayberry. Motion failed 4-4 roll call vote, Perry, Reese, DeDe and Keay opposed.

D. Adjourn – Meeting adjourned at 10:30 p.m.

Valerie A. French
Deputy City Clerk