



CITY OF DOVER

CITY COUNCIL - MINUTES

Meeting Type: Workshop Session
Meeting Location: Council Chambers, City Hall
Meeting Date: **Wednesday, May 19, 2010**
Meeting Time: **6:00 pm**

1. CALL TO ORDER

2. MOMENT OF SILENCE

3. PLEDGE OF ALLEGIANCE

Councilor Carrier led the Pledge of Allegiance.

4. ROLL CALL ATTENDANCE

Present: Mayor Myers, Deputy Mayor Trefethen, Councilor Carrier, Councilor Cheney, Councilor Cruikshank, Councilor Garrison, Councilor Hooper, Councilor Nedelka, Councilor Weston.

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

5. FISCAL YEAR 2011 BUDGET OVERVIEW

A. POOL FUNDING OPTIONS

Recreation Director Gary Bannon gave a PowerPoint presentation on Pool Funding Options. Councilor Garrison asked about Jenny Thompson's contribution and if it was short-term or long-term.

Mr. Bannon said he has heard that she is looking at a long-term commitment, and willing to work on an annual fundraising campaign.

Councilor Garrison started a discussion about the Council extending the operation of the pools until the end of summer. He asked if the SOS committee was already working on Phase II of the plan, and if they could be ready to present the status to the Council before the end of the summer, so the Council can make a decision on extending the operation of the pools for the full year.

Mr. Bannon said they will need to know by July if the indoor pool is going to be open past Labor Day. He said there is a lot of competition and they need to commit to customers. Councilor Cheney spoke about a formalized committee for the pools, and the need to get a resolution before the Council to create the committee. She started a discussion on the special revenue fund.

Mr. Bannon said all revenues from recreation programs go into a special revenue fund, and are not subsidized by the City. He said some programs are profitable, and subsidize the other programs that are not as profitable. He said the program's fees cover the cost of the program, but not the building costs, and they are going to start incorporating that cost into the fees.

Councilor Weston asked about renegotiating with Johnson Controls on the energy efficiency contract.

City Manager Joyal said they have already installed the blankets on the indoor pools, and Johnson Controls can't be held accountable for the savings if the pool is shut down. He said that at this point, the City is realizing the savings that Johnson Controls said we would with the pools. He spoke about plans for a dehumidification unit that will not be needed if the



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pool is closed, and that that portion of the contract will need to be renegotiated and Johnson Controls will want to be reimbursed for the work they have already done on it.

Councilor Weston started a discussion on donations.

Mr. Bannon said there have been a few donations, but they haven't been actively soliciting at this point.

Councilor Nedelka started a discussion on rate increases.

Mr. Bannon said they charge by the hour and by the number of pool lanes. He mentioned that they were considered part of the Boston market, and warned against going too high.

Councilor Nedelka started a discussion on marketing and networking. He said he agreed with the committee, and asked Mr. Bannon how many members there should be.

Mr. Bannon said he felt it should be around 7 with 2 alternates.

Councilor Hooper started a discussion about the cost to mothball the pools, and the subsequent costs to reopen them.

Deputy Mayor Trefethen asked about getting two meters for electric service to separate the indoor pool and the Children's Museum.

Mr. Bannon said they were pricing meters at about \$10,000 to \$12,000. He said they were able to separate kilowatt usage at this point, but not demand usage.

Mayor Myers started a discussion on whether the numbers presented were viable and accurate.

City Manager Joyal said he felt they were.

Mr. Bannon referred to the letter from Berwick Academy that will be presented at the next meeting, and their proposal to add swimming lessons during the slow times in the afternoons, bringing in more revenue for the City.

Councilor Weston asked if the pools will break even after Phase I, II, and III have occurred.

Mr. Bannon said it will be grants and endowments that will make it happen.

Mayor Myers referred to the letter from Berwick Academy and the comments that other communities should contribute by making commitments to use the pools.

B. COMMUNITY SERVICES DEPARTMENT

Community Services Director Doug Steele gave a PowerPoint presentation on the proposed budget for Community Services.

Councilor Nedelka asked about volunteers.

Mr. Steele said most positions require special licensing, but they could use volunteers for filing, Dover Clean-up Day, and Adopt-a-Spot.

Mayor Myers said he wanted to restore funding to General Streets and Sidewalks.

Councilor Cheney started a discussion on work orders and the process to get them completed.

Mr. Steele gave a PowerPoint presentation on the budget, focusing on Solid Waste and Recycling.

Councilor Nedelka started a discussion about the new hours for the Recycling Center.

Mr. Steele said Wednesday was chosen to be cut back because it was the day they used to deliver bag & tags to stores.



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Deputy Mayor Trefethen asked about revenues on items brought directly to the Recycling Center.

Mr. Steele said the City only receives revenue on the scrap metal, and the cans and glass are part of the contract with Pinard.

Mr. Steele continued his PowerPoint presentation on the budget, focusing on Water and Sewer. He spoke about possible upgrades being needed if the new permit requires increased nitrogen and phosphorus removal. He said they are working with the EPA to come up with reasonable limits.

City Manager Joyal said this could be a \$20 million to \$30 million expense to upgrade the wastewater treatment facility. He spoke about the reserve funds being used to offset the expenses over the next 10 years.

C. GENERAL BUDGET DISCUSSIONS

Councilor Garrison started a discussion about the importance of restoring street repairs and capital reserve funding.

Councilor Hooper started a discussion about where the money is coming from. She stated that there are four or five items that the Council wants to put back in the budget, and they need to deal with how that can be achieved.

Mayor Myers said the options were to make further cuts in the budget, use funds in the Sand and Gravel fund, increase revenues in some areas, and the option to override the tax cap.

Councilor Carrier said he felt they should use a portion of the Sand & Gravel fund every year for the Recreation Department.

City Manager Joyal discussed the history of revenues from the Sand & Gravel fund. He urged the Council to deal with the money the City has.

Deputy Mayor Trefethen spoke about how the Council has been scrambling to find revenue, and that it doesn't add up enough to restore public safety and other items. He listed the items he wanted to restore:

- Fully restore Fire Department to 12 man rotation and operate all three fire stations
- Restore Police Department staff with two mounted patrol and the prevention outreach officers
- Restore Planner position to the Planning Department
- Restore Capital Reserve Funding for equipment and street repairs
- Restore the pools
- Restore Dover Main Street program

He said this totaled over \$1 million. He discussed the two types of emails he will be getting because he has suggested an override. He feels he's reading the community correctly that they want an override. He said the School Board did a wonderful job and he was willing to accept their budget as presented.

Councilor Cruikshank said she agreed with Deputy Mayor Trefethen 100%.



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Councilor Hooper said she has been against the tax cap since day one, and she has received a 3-4 to 1 ratio from the citizen's to override. She agreed with Deputy Mayor Trefethen's list.

Councilor Carrier said a majority of his emails state they want a moderate override. He agreed to a moderate override, but he has not fine tuned everything in the budget. Councilor Garrison said he was happy with what he was hearing from the Council, because he said weeks ago that he was in favor of overriding the tax cap at some level. He supported the Deputy Mayor's suggestions.

Councilor Cheney said she supported the police and pools. She said she is concerned from what she is hearing from her fellow colleagues that the City was sold a tax cap. She said the citizens voted for the spending cap, because the City has a spending problem. She referred to John Leggett's ideas for cuts in the budget, but said that no one is considering them. She said the City hasn't really been tested with the tax cap.

Mayor Myers referred the Council to page 32 of the Budget book and clarified the numbers over the past few years. He discussed the latest CPI numbers for this year. He referred to Page 28 of the Budget book and discussed the decrease in revenue and the difference in the budget from last year. He said last year's CPI was 3.8% and the Council only used 2.3%. He said he would like to use the 1.5% difference this year. He listed his ideas for restoration to the budget:

- Restore some level of the Fire Department, 11 person minimum and ask the Fire Unions to have wage freezes
- Restore the outreach officer to a sworn officer on the Police Department
- Restore the City Planner to the Planning Department by pulling \$20,000 from unemployment, and 20% of his salary from the Current Use Penalty Fund
- Restore \$200,000 to the CIP
- Restore \$200,000 to paving
- Restore \$12,000 to Dover Main Street, because the City gets so much more from the program
- Use \$100,000 from the Sand and Gravel Fund

Councilor Nedelka listed his priorities:

- Restore Fire Department so the Northend Fire Station remains open; flexible on the 11 or 12 person rotation
- Restoration of both the Downtown Patrol and the Outreach officer
- Restore the Planner position, and he supported the different funding options for the position
- Restore the CIP and Street repairs, but not fully
- Restore the pools, because he is optimistic that there will be an active advisory board. He said he wanted to see that action before he'll commit the \$400,000.
- Restore the Dover Main Street program
- Restore the Cochecho Arts Festival
- Use all of the Sand and Gravel Funds towards CIP items

He went over areas where additional revenue sources can be implemented. He discussed areas that can and cannot be cut from the budget. He said he was willing to forego his



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\$1,000 salary as Councillor. He said they can squeeze a few thousand dollars out of the budget, but not \$1 million.

Councillor Weston said she couldn't agree to do anything until they get the big picture from the citizens and what is coming down from the State.

Mayor Myers said they don't know what is happening with the State, because at this point the House and Senate have very different opinions.

Councillor Cheney said the Council should be up to this challenge of a 0% budget. She mentioned tapping the parking fund, contingency fund, sand and gravel fund, and cable fees.

Mayor Myers asked if there was any interest in taking money from the parking fund.

City Manager Joyal referred to Pages 76 and 243 of the Budget book and went over the parking revenue and expenses. He said they are estimating that expenses will be \$200,000 less than what they are estimating for revenues, which is money that is put in contingency. He said the Council can authorize a transfer of that money to supplement operating expenses for the City. He didn't suggest that the Council touch that money because it hasn't been realized yet, and also that they were attempting to build this fund to address the parking concerns in the City.

Councillor Nedelka asked how the auditors would feel about the Council transferring that money.

City Manager Joyal said that the auditors would be looking to see that revenues are covering the City's expenses.

Councillor Cheney spoke about putting money aside for Post Employee Benefits because it was a real expense. She said the parking garage wasn't real yet, and it wasn't unreasonable to use some of the money.

Mayor Myers said the Council fought hard to start a program for parking that had no impact on the taxpayer. He said there is no guaranteed revenue stream or history yet.

Councillor Weston asked what was in the parking fund.

City Manager Joyal said he would get her the figures.

Councillor Weston asked what the impact to the City's rating would be if they took money from the parking fund, sand and gravel fund, and rainy day fund. She said they could pay it back later on.

Councillor Garrison started a discussion on trusting the department heads to do their jobs. He said he has been doing his homework and meeting with people every single day.

Councillor Hooper said she has gone through the Budget book, but she hasn't identified any area that isn't fruitless at this point, with the amount of money that is needed.

Deputy Mayor Trefethen said this will take some compromise to make this work. He said the Council has heard from the citizens who voted for the tax cap saying the override provision is there for a reason.

Mayor Myers spoke about using the different funds. He said it was deficit financing. He said it will lower the City's bond rating if the fund balance goes below 6%.

Councillor Nedelka discussed the downshifting from the State, and noted that they cannot predict what it will be.



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Deputy Mayor Trefethen moved to suspend the rules to continue the meeting past 10:30 pm for the Citizen's Forum only; seconded by Councilor Weston.
Roll Call Vote: 9/0.

6. CITIZEN'S FORUM

Citizens are invited to speak on the subject matter of the Workshop. Statements shall be limited to five minutes.

Michele Holt-Shannon, 14 Florence Street: She said she was a mother of two, PTA president for the Middle School, and staff member of UNH. She said she has been bullied when she leaves the meetings. She supported the Council and hoped they would not be bullied into not taking an override. She listed all the good stories about the pool, school, fire, and police. She said the school is not on the Council's list of items to be restored, and asked where it was on the list. She said she will campaign for all who override. She said it will cost her more if the Council doesn't override the tax cap, because there are things that can be done better together.

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

7. ADJOURNMENT

Mayor Myers recommended that the Council have a workshop from 6:00pm to 7:00pm on May 26th, 2010, without Citizen's Forum.
There was Council consensus.

Councilor Carrier moved to adjourn; seconded by Councilor Nedelka.
Vote: 9/0.

The three PowerPoint presentations have been archived with the Minutes.