

The Claremont City Council held a meeting on Wednesday, March 14, 2007, in the Council Chambers of City Hall.

Members of the Council present were:

Michael Prozzo, Jr.
Deborah Cutts
Heather Bopp
Assistant Mayor Christopher Irish
Mayor Scott Pope
Andrew Austin
William Regan, III
Ralph Swift
James Neilsen, IV

Also present were:

Guy Santagate, City Manager
Jane Taylor, City Solicitor

The meeting was called to order by Mayor Pope at 6:32 p.m.

MAYOR'S NOTES

Mayor Pope noted Arrowhead has had a successful season due to recent snows. He recognized the volunteers who have helped them, including Stan Woodman. There will be a Master Plan visioning session on March 29th, 6-9 p.m., at the Maple Avenue School and a light dinner will be served; Colin Sanborn, Claremont Historian, will make a presentation. The Claremont Home Show will be March 17 and 18 at the Claremont Middle School.

Nick Koloski said the 2001 movie, Live Free or Die, (filmed in Claremont) will be in theaters on March 30th. He handed out to the Council VIP passes to the screening on March 26th with an after party at Hullabaloo.

Mr. Irish requested a moment of silence for Justin Rollins who was killed in Iraq last week. The funeral service will be at 11 a.m., Saturday, March 17th, at the South Congregational Church, Newport; burial will take place at Arlington Cemetery, Virginia. Memorial donations may be made to the Justin Rollins Memorial Scholarship Fund.

REPORT OF THE SECRETARY

Mayor Pope noted for the public that the entire resolution for the solid waste policy is in the February 20th minutes.

A motion was made by Mr. Regan and seconded by Mr. Austin to accept the minutes of the February 20, 2007, City Council meeting.

Motion carried 9-0.

APPOINTMENT TO BOARDS AND COMMITTEES

Claremont Planning Board

Mayor Pope appointed Peter Guillette to fill seat #3 and Richard Warlich to fill seat #4 on the Planning Board, effective the day after the expiration of the terms of the current members who are in those seats, which is March 31st, 2007.

Claremont's Representative to the NH/VT Solid Waste District Sullivan County Regional Refuse Disposal District

Mayor Pope asked about the board being gone once we leave this entity. Ms. Taylor said there will be a certain level of management affairs that will happen after July 1st, but the active portion of the service will end July 1st, 2007.

A motion was made by Mr. Prozzo and seconded by Mr. Regan to reappoint Robert Woodman to seat #2 as Claremont's Representative to the NH/VT Solid Waste District Sullivan County Regional Refuse Disposal District.

Motion carried 9-0.

Conservation Commission

A motion was made by Mr. Prozzo and seconded by Mr. Swift to reappoint Robert Woodman to seat #4 on the Conservation Commission.

Motion carried 9-0.

Historic District Commission

A motion was made by Mr. Prozzo and seconded by Ms. Cutts to reappoint John Hall to seat #3 and David Messier to seat #4 on the Historic District Commission.

Motion carried 9-0.

Zoning Board of Adjustment

A motion was made by Ms. Bopp and seconded by Ms. Cutts to reappoint Michael Hurd to seat #2 and to appoint Jim Hanson to seat #3 on the Zoning Board of Adjustment.

Motion carried 9-0.

OLD BUSINESS

Ordinance 480 Merit Plan, Classification & Salaries – 2nd Reading

Ms. Taylor said Ordinance 480 was introduced last month. It involves a salary schedule and requires three readings. The purpose of the second reading is if the Council wants more information in its deliberations. Ms. Taylor asked the Council to direct any questions to Mary Walter, Finance Director, so she can be ready at the final reading and public hearing next month.

A motion was made by Mr. Neilsen and seconded by Mr. Austin to adopt Ordinance 480 Merit Plan, Classification & Salaries on second reading and continue to the regular April Council meeting for a third reading and public hearing.

Mr. Regan asked if this change will allow salaried employees to get extra money for putting in extra time. Ms. Taylor said no, this does not guarantee any salary increases, but does provide the flexibility. It is for non-union employees only. Mr. Santagate said we have done a survey of comparable cities and towns which shows we should move the salary cap up.

Mayor Pope read the explanation of proposed action.

Roll Call Vote: Motion carried 9-0.

Ordinance 481 Cemetery Trustees – 2nd Reading – Public Hearing

Mayor Pope stated the proposed action is to bring the Claremont City Code into technical compliance with state law.

Ms. Taylor said this is a housekeeping issue to state how Cemetery Trustees are appointed in the Claremont Code. Currently, Trustees of Trust Funds are also functioning as Cemetery Trustees, but we have to state it in the ordinances. The second part is to permit establishment of a Capital Reserve for City-owned cemeteries.

A motion was made by Mr. Austin and seconded by Ms. Cutts to adopt Ordinance 481 Cemetery Trustees on second reading.

Mayor Pope read the explanation of proposed action.

Mayor Pope opened the public hearing. No one spoke. He closed the public hearing.

Roll Call Vote: Motion carried 9-0.

CITIZEN'S FORUM

Citizen's Forum started early, but Mayor Pope said he will give opportunity to speak for those coming in later.

Bill Gray said there would be an Easter Contest on April 6th, 11 a.m.-2 p.m. He hoped everyone would show up. He is moving to Endbrow Road in North Charlestown.

NEW BUSINESS

Skate Park Project and LWCF Grant Approval

Scott Hausler, Parks and Recreation Director, said he filed for a LWCF (Land Water Conservation Fund) \$20,000 matching grant to help develop a skateboard park. The match can be 100% in-kind. There are very limited funds in New Hampshire from LWCF. The approval tonight will allow them to finalize the application at the state level. They are seeking funding to help with a project that is a concept at this time. If the project does not go forward and we are awarded the money, then the money is given back.

Mr. Irish said this sounds like we are going from a skate board park to designating another park which he doesn't have a problem with. He is concerned that the application is for a site that the Council has not accepted yet. Mr. Hausler said the site was chosen by the committee and the information was presented to the Council. He hopes to come before the Council by April with costs related to the site. Mr. Irish is for the skate park. He asked for the budget section of tonight's presentation which was missing from the handout. Mr. Santagate said he had brought up the point earlier that the Council would be concerned about not having an official site. He questioned if that would affect the application. Mr. Hausler said he had talked to DRED (NH Department of Resources and Economic Development) and other permits may be needed at this site. They tried for the grant to see if they could get the money; if the project doesn't move forward, then the application will be pulled. Mr. Santagate asked if the funds can be kept if not using that site (Riverside Park). Mr. Hausler believes it would have to go through a review process with LWCF. Mr. Hausler said the deadline to apply has passed. The application was submitted a couple of weeks ago with the understanding that if the Council did not approve, the application would be pulled. Last fall the Council had given consensus that this was a worthy project and to continue to gather information about costs of the project.

Ms. Bopp was concerned because this grant requires matching funds. Mr. Hausler said the matching funds consist of funds and in-kind contributions. The \$20,000 match is already lined up. Ms. Bopp wanted to know what the timeline is for getting this done, if approved. Mr. Hausler said that is up to the Council to decide. He hoped to have a site plan completed in April.

Mr. Prozzo noted that if the grant is approved, it would come back to the Council for acceptance. If there is a change in location, approval must be received from the people who gave the grant.

A motion was made by Mr. Prozzo and seconded by Ms. Cutts to authorize the city manager, or his designees, to take such actions as may be necessary to apply for a Land and Water Conservation Fund (LWCF) Grant for development of new facilities and equipment for parking, picnicking and skateboarding/inline skating at Riverside Park.

Mr. Santagate said we would not have gone with the application if it locked the Council into a decision they had not made. He understood that other towns also applied before they received approval at their town meetings. DRED said there would be no trouble to reapply to change the location. We had to file when we did, because after the Council meeting would have been too late.

Mr. Austin thinks we need to move as soon as we can. Downtown merchants will be glad to get kids on skateboards off the sidewalks.

Ms. Taylor said when the City acquired the property proposed for the skateboard park, a deed restriction required that it be used for recreational purposes only.

Mr. Irish said the Council had talked about a skateboard park, but not a new city park. He thinks the idea is good, but by doing this tonight, the Council is giving its blessing to the project. There are a lot of unknowns; he would rather table it until April. Mr. Hausler said without this approval, the application will be withdrawn. He said by taking a vote to support the grant, the Council is supporting the project of Riverside Park, so he can't support this tonight.

Ms. Bopp supports this, but is concerned about being able to get all the needed permits without coming up against deadlines and ending up losing the money.

Ms. Cutts asked for the matching grant information that was on the missing page. Mr. Hausler said the application is an estimate: skatepark equipment \$50,000; asphalt pad and restoration to site \$20,000-\$25,000. Unknowns are the access road and parking (stone, asphalt). Ms. Cutts endorsed the grant.

Mr. Prozzo wants them to come back before the Council for approval to spend the grant money.

Mr. Swift does not support the grant application. The City has other important areas to spend money on. He doesn't want to get locked in.

A motion was made by Mr. Regan to move the question.

Mr. Irish asked to clarify if Riverside Park exists. Mr. Hausler said the area had to be given a name in order to apply for the grant; it is not necessarily the final name. The name can be changed.

Roll Call Vote to Move the Question: Motion carried 9-0.

Roll Call Vote to Apply for the Grant: Motion carried 7-2 with Mr. Irish and Mr. Swift voting no.

CITIZEN'S FORUM (Continued)

Ruth Preston, Executive Director of the Greater Claremont Chamber of Commerce, reminded everyone that this weekend was the Claremont Home Show, 54 vendors at the Claremont Middle School, Saturday 10-5 and Sunday 11-4. There will be a van shuttle at the Claremont Savings Bank.

Stan Woodman, President of Arrowhead Recreation Club, gave an update on operation of Arrowhead. 2006-2007 is the most profitable in almost 6 years, with the second smallest number of operating days of only 19 (29 in 2004-2005 which raised only \$15,500). This year they have raised \$17,800 which covers about 95% of the expenses. The previous record of 81% was in 2004-2005. They've had about 1200 skiers this year. They continue to need the opportunity to make snow. They could have had several more operating weeks if they had the ability to make snow. If they do start making snow, they would need to expand and possibly hire people. Currently it is run 100% by volunteers. They have had requests from schools for additional activities, but are not able to offer them at this time. Mr. Regan asked what snowmaking equipment would cost. Mr. Woodman said to get water 3300-3500 feet from the river would cost \$30,000-\$50,000, but using the municipal water supply would be less. Mr. Woodman said they do fundraisers (bike race, yard sale, etc.) throughout year.

Ordinance 482 Stopping, Standing and Parking – 1st Reading

Alex Scott, Police Chief, said Ordinance 482 is a result of coordination with the parking enforcement officer being unable to site or summons people to court for failure to pay parking tickets. A provision has been added to allow for contesting a parking ticket. He looked at other municipalities in the area and compared their code to ours. Timeframes were extended which is consistent with the paperwork turnover. Mr. Neilsen asked who would collect the fine. Chief Scott said City and if it is an ordinance violation and the court orders a fine, the fine will come back to the City.

Mayor Pope read the ordinance into the record.

Mr. Austin asked about No Parking signs on his street. Chief Scott said he would contact the Public Works Director.

A motion was made by Mr. Regan and seconded by Ms. Bopp to adopt Ordinance 482 Stopping, Standing and Parking on first reading.

Roll Call Vote: Motion carried 9-0.

Acceptance of Portable Radios from the US Department of Homeland Security, State of NH Radio Interoperability Program with a Value of \$5,055

Chief Scott said this is part of an ongoing effort to ensure radio interoperability throughout the state.

A motion was made by Mr. Prozzo and seconded by Ms. Bopp to accept the Portable Radios from the US Department of Homeland Security, State of NH Radio Interoperability Program with a Value of \$5,055.

Motion carried 9-0.

At 7:51 p.m., Mayor Pope left Council Chambers and Assistant Mayor Irish took over the meeting.

Motion for BFA Funds

Mr. Santagate said the CDA (Claremont Development Authority) has applied for a \$500,000 loan with the BFA (Business Finance Authority) and the City must accept the loan before it funnels through to the CDA. The money flows to CDA and they will make a loan to Red River Computer Company as a development tool to move into the city. Red River will repay the loan in accordance with the terms set by the BFA.

Mr. Neilsen asked to confirm this is not a CDBG grant and that CDA is a mechanism for money to be received and loaned out. Mr. Santagate said that is correct. The loan will be administered by the CDA.

Mr. Swift said he is on the CDA board and asked if this would preclude him from voting on this issue. Ms. Taylor said no.

Mr. Regan asked if the City is co-signing the loan; what is the life of the loan and when will it be paid back. Mr. Santagate said it is a seven-year term, the interest rate is 6 ¾% and the repayment goes to the BFA. Ms. Taylor said CDA only exists because of the existence of the city. In order for CDA to undertake the financial transactions, it is required by BFA and CDA bylaws that they get the Council approval. It is not equivalent of a co-signer.

A motion was made by Mr. Austin and seconded by Ms. Bopp to authorize the City Manager or his designee to execute and perform all actions as may be required on behalf of the City of Claremont or the Claremont Development Authority to accept a \$500,000.00 loan from the New Hampshire Business Finance Authority (BFA) for and on behalf of the Claremont Development Authority, said funds to be used to capitalize a loan for the benefit of the Red River Computer Company, Inc. project to relocate to the City of Claremont.

Mr. Neilsen assumes this is a collateralized loan and if it goes into default, CDA will take possession of the collateral, making the city's exposure pretty minimal.

Roll Call Vote: Motion carried 8-0.

Utility Licenses for Use of Municipal Rights of Way – Public Hearing

Joe Lessard, Interim Assessor, said this is to bring into compliance with state statutes the licenses the city grants to those utility companies that use the city's rights-of-way and this is an opportunity to generate income for the city. RSA 72:23 I(b) states that parties using city-owned property shall provide payment of property taxes. To be in compliance, the license to use the property must be amended. State statute requires a public hearing to change the wording of the license. Notices were sent to Comcast, NH Electric Co-op, Public Service of NH and Verizon.

Mr. Austin asked what the benefit will be. Mr. Lessard said there is a potential to receive \$50,000 annually. Mr. Austin noted that the electric and cable companies will pass the expense to the ratepayers. Mr. Lessard said this is not the taxation of poles; it is the taxation of use of the rights-of-way.

Ms. Cutts asked if the only benefit is financial. Mr. Lessard said it would put the City in compliance with state statute. Mr. Santagate said it is city-owned property over which wires run. There are enough court rulings interpreting the law so that we should be taxing city-owned rights-of-way that we are obligated to tax.

Ms. Taylor clarified that under RSA 72:23 if the city owns a parcel of land and it leases that land to a private entity, the city is permitted to require the lessee to pay property taxes as if the were land owned by a private party. We do it at the airport for the private hangars. The utility licenses are similar to such leases. There has to be a statement in the agreement to levy the tax. At least half the communities in the state are now doing this. This is not new.

Mr. Irish asked a pole tax question. Ms. Taylor said this is not taxing the equipment; it's taxing their use of the right-of-way.

Mr. Austin asked if some of the money will have to go to the state. Mr. Lessard said this is municipal income.

Ms. Cutts asked since the RSA permits the city to require this payment, can the city choose to enforce or not. Ms. Taylor said the law says it can be taxed. To change the license, the City Council has to agree it is in the best interest of the community. Ms. Cutts asked if there is a penalty for not doing this. Ms. Taylor said City Staff is not qualified to answer that question, but the question is does the City want the income or not.

Mr. Lessard said a regulatory commission would have to approve a rate increase. Every other business that is taxed passes it on to the consumer. He believes the Council can vote not to do it, but to levy it, you have to have a public hearing. The Supreme Court said it is in the public good to add the wording to the license. Mr. Santagate said utilities are being taxed by other

communities and they pass on the expense anyway. We're paying for it, but not receiving the income.

Ms. Bopp asked about contracts that are already in effect. Ms. Taylor said when municipalities change the language it applies to existing and future licenses. Mr. Lessard said licenses are issued for one year.

Mr. Prozzo asked if the money received goes into city coffers only. Mr. Lessard said it is the same as all other taxes. Mr. Prozzo said the city does the work and the state still collects their share.

Mr. Swift said this reallocates the expense to things other than personal property taxes.

A motion was made by Mr. Prozzo and seconded by Mr. Austin that the Claremont City Council hereby finds, pursuant to RSA 231:163, that it is in the public interest to adopt certain changes, including the assessment of real or personal property taxes pursuant to RSA 72:23, to all presently issued and future licenses granted to various utilities for use of municipal rights of way, such changes to be effectively immediately. The Claremont City Council hereby further authorizes the City Manager or his designee to execute all documents and undertake and perform all actions as may be required on behalf of the City of Claremont to implement such changes.

Mr. Irish opened the public hearing.

Miles Pelegrino, Comcast, asked for and received a copy of the packet that was passed out to the Council.

Robert Woodman, thinks this is late and should have been done 20 years ago so they will pay their fair share.

Mr. Irish closed the public hearing.

Roll Call Vote: Motion carried 8-0.

At 8:26 p.m. Mayor Pope returned to the Council Chambers.

CITY MANAGER REPORT

Mr. Santagate said he had been asked to look at exemptions (veterans and elderly) to see how Claremont compares to other comparable towns. We are low in some areas. For the elderly exemption: 65-74 year old we offer \$19,250 exemption from assessed value, the average is \$30,000; 75-79 year old is \$38,500, and should be moved up to \$50,000. The good news is it will not be a major impact. For the 65-74 year old category, the increase on the tax rate will be one cent. For the 75-79 year old category, the increase will be two cents for a total of three cents. The tax rate projected for 2007 will increase from \$12.64 to \$12.94, 30 cents or 2.4%

increase. Our goal is 3% or less. There is more of a future budget impact when addressing veterans (721) exemptions versus the senior exemptions. We offer \$100 tax credit. The average in comparable towns is \$169. The state average is higher. To go from \$100 to \$150 exemption and increase the number of vets (721) by 10% (just a guess), the impact would be seven cents. The total impact would be 10 cents. Without these, the budget increase will be 30 cents. Add the budget increase to the exemption increase and it is 40 cents or 3.1% over 2006. Other categories did not have major differences.

Ms. Cutts said previously she and Mr. Austin looked at all three categories including the disabled exemption and it was 70 or 80% less than the state mean. Currently, the veterans' exemption is 41% below what the state allows and the elderly exemption is 38% below surrounding comparable communities. She would champion the veterans' exemption because of the job that she has and she would ask the Council to consider this for the future.

Mr. Austin said with the revaluation, he has gotten a lot of calls from the elderly asking what can be done to help. He is in favor of increasing the exemptions without having anymore impact on those who do not fall into these categories.

Mayor Pope would like the Council to have a hard copy of this and to consider it at a later time.

Mr. Neilsen asked what happens for people over 79 years old. Mr. Santagate said they are in good condition by comparison. The 80 or older exemption is \$77,000; the average of comparable towns is \$76,200 and the state average is \$61,000. There are a lot of properties that are exempt for this age bracket.

Mr. Swift is in favor of doing what can be done for the veterans. For the elderly, he is in favor of doing what we can for those who need it. Mr. Santagate said there are income and asset level requirements for the elderly.

There was consensus from the Council for Mr. Santagate, Ms. Cutts and Mr. Austin to bring back a couple of proposals to the Council to decide which one to bring forward for discussion.

FUTURE AGENDA ITEMS AND DIRECTIVES

Mr. Regan asked about Lowe's. According to Lowe's website, we are not on their next to do list. Mr. Santagate will report back.

Mayor Pope tentatively scheduled a Council Workshop to set Council Goals for March 28th.

Mr. Prozzo asked to clarify if this is a meeting or workshop and what the timeframe will be. Mayor Pope would like to keep it to 2 hours, Mr. Prozzo concurred. Mr. Irish would like one agenda item and he strongly suggested having citizen forum on the agenda. Mr. Prozzo clarified that it would be a Workshop 6:30 p.m. – 8:30 p.m. and to allow citizen input. The Council agreed.

COMMITTEE REPORTS

Social Services Committee

Mayor Pope said the Social Services Committee would meet in the near future to approve the criteria.

Community Reinvestment Fund Committee

Mr. Irish, Ms. Cutts and Mr. Neilsen met in a legally posted meeting at City Council Chambers. No members of the public attended. He read the application form.

APPLICATION FOR COMMUNITY REINVESTMENT FUNDS CITY OF CLAREMONT, NEW HAMPSHIRE

Purpose: Funds will be awarded for special projects or events only.

Note: Request for funding must have all the following information included. Failure to provide information could result in non-consideration of the application.

Organization Information:

- Name of agency:
- Address:
- Contact person:
- Amount requested:
- Years in business:
- For profit:
- Non-profit:
- Funding sources:
- Fees charged for use:
- Other communities served:

Project/Event Description:

1. What is the nature of the project or event?
2. Is it a one time or phased-in project?
3. Total cost of the project or event?
4. Are there any other funding sources? If yes, please explain.
5. Location of the project or event?
6. Target population? (i.e. seniors, children, adults, etc.)
7. Estimated completion date?
8. Date of event?
9. Once completed, is it as seasonal or year-round use?
10. Have you received funds from Claremont before? If so, when and what amount?

A motion was made by Mr. Irish and seconded by Mr. Neilsen to accept criteria for application for Community Reinvestment Funds as presented. Applications will be accepted at the City Manager's office through April 30, 2007, with final recommendations for disbursement to be presented to the Council at the May 9, 2007, City Council meeting.

Ms. Cutts likes the “project” idea. She asked if it would go out to the newspaper. Dorée Russell, Clerk to the Council, confirmed that it would.

Mr. Prozzo wanted the amount of money available (\$30,000) stated in the letter. Mr. Irish said the Committee will work with Ms. Russell on the letter to go out with the applications.

Mr. Neilsen explained that event and phased-in projects were added to the description for projects such as the basketball court at Barnes Park and to help out someone with a vision for a phased project (future funds are not guaranteed). Another suggestion was \$1,000 to help advertise a community event (i.e. Chili Cook-off).

Motion carried 9-0.

Open Space Ordinance Committee

Mr. Regan said the Committee consists of 12 members from the community (school, historical, conservation, builders, large and small landowners, small and large businesses, Planning and Zoning boards). They read Ms. Taylor’s previous notes for background information. He said there’s not a member on the committee that doesn’t think that open space is a good alternative or at least should be offered to builders and future homeowners. They have not eliminated the existing planned residential development. They will probably be ready in one or two months to make a presentation to the community and then bring it to the Council. The consensus of the committee is to bring in good quality developers to the community. Mayor Pope said this is an extremely diverse cross-section of people and this process has been a well thought process.

Master Plan Committee

Mayor Pope said this committee is made up of nine 9 citizens/businesses leaders that are working with him and he may add two more. There is a visioning event on March 29th at Maple Avenue School, 6-9 p.m. Please RSVP to Michelle Aiken at the Planning office. Bruce Temple, Interim Planning and Development Director, said they are actively seeking people to attend. Mayor Pope asked Mr. Temple to send thank yous and commendations to Michelle Aiken and Jerry Coogan as well as the rest of the Planning Department staff for their work on this meeting. Mr. Temple said UNH (University of New Hampshire) will help facilitate this meeting. They have received a couple of proposals from companies to help write the Master Plan.

Mr. Swift noted that the School Reinvestment Committee meets the first and third Thursday of each month and the meetings are open to the public.

Mr. Irish said the intent of the committee reports is to be kept informed of all open-ended items until completed.

ADJOURNMENT

At 9:15 p.m., a motion was made by Mr. Prozzo and seconded by Ms. Bopp to adjourn for consultation with legal counsel under RSA 91A:2.

Roll Call Vote: Motion carried 9-0.

CONSULTATION WITH LEGAL COUNSEL

Respectfully Submitted,

Dorée M. Russell
Clerk to the Council