

Council Meeting

March 9, 2005

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The Claremont City Council held a meeting on Wednesday, March 9, 2005, in the Council Chambers of City Hall.

Members of the Council present were:

Michael Prozzo
Deborah Cutts (arrived late)
Heather Giannuzzi
Christopher Irish
Mayor Scott Pope
Roger Formidoni
Andy Austin
James Neilsen, IV

Absent were:

Bruce Temple

Also present were:

Guy Santagate, City Manager
Jane Taylor, City Solicitor

The meeting was called to order by Mayor Pope at 6:31 p.m.

REPORT OF THE SECRETARY

A motion was made by Mr. Austin and seconded by Ms. Giannuzzi to accept the Minutes of the February 9, 2005, City Council Meeting and the February 23, 2005, City Council Workshop.

Motion passed 7-0.

MAYOR'S NOTES

Mayor Pope announced that the City's website won second place at the Seventh Annual NH Internet Award ceremony. Mayor Pope gave a brief overview of the website and also announced the City's website address (www.claremontnh.com) for the viewing public.

744th Recognition and Community Update

Mayor Pope read a Proclamation for the 744th Transportation Company. It proclaimed the month of March 2005 as 744th Transportation Company Appreciation Month.

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Mayor Pope recognized Vicki Pearson, Rachel Smith-Jones and Mary Bergner, who were his contacts for updates on the 744th Transportation Company.

Sergeant First Class Mark Roberts, Platoon Sergeant, on behalf of the soldiers of the 744th Transportation Company, thanked Claremont for its support throughout the duration of their tour in Iraq.

Also present from the 744th Transportation Company were Sergeant First Class Carl Harris; Staff Sergeant Robert Compo; First Lieutenant Travis Jones, Platoon Leader; Sergeant Wayne Pearson; Sergeant Michael LaFont and Sergeant Alton Martin.

APPOINTMENT TO BOARDS AND COMMITTEES

Claremont Planning Board

Mayor Pope appointed/reappointed the following members:

Seat 5 - Russell Fowler

Seat 6 - Erwin Caplan

Seat 7A Alternate - Allan Berggren

City Staff Member - Scott DeCoteau

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

A motion was made by Mr. Prozzo and seconded by Mr. Austin to reappoint Roger Formidoni to seat 3 and Thomas Donovan to seat 6A.

Motion passed 7-0.

Conservation Commission

A motion was made by Mr. Austin and seconded by Mr. Prozzo to reappoint Alice Clay to seat 5.

Motion passed 7-0

Board of Appeals/Code Review

A motion was made by Mr. Prozzo and seconded by Mr. Irish to reappoint Robert Woodman to seat 4.

Motion passed 7-0.

Airport Advisory Board

A motion was made by Mr. Austin and seconded by Mr. Prozzo to appoint Donald Lavalette to Seat 2.

Motion passed 7-0.

Seat 4 remains vacant.

Claremont Development Authority

A motion was made by Mr. Prozzo and seconded by Ms. Giannuzzi to reappoint Robert Stevens to seat 6.

Motion passed 7-0.

Seat 4 still remains vacant.

Zoning Board of Adjustment

A motion was made by Mr. Austin and seconded by Mr. Irish to reappoint Robert Woodman to seat 4.

Motion passed 7-0.

Seats 6A and 7A remain vacant.

OLD BUSINESS

Ordinance #457 Stop Signs at Opera House Square – 2nd Reading, Public Hearing

Ms. Taylor explained that the Ordinance was brought about by a request from a citizen. It was reviewed by the Traffic Safety Committee and the recommendation was made for the changes in the Ordinance.

Police Chief Alex Scott summarized the Ordinance. At the December Council meeting, Mr. Beswick voiced his concern about the intersection at Main Street and Opera House Square. Chief Scott reviewed the accidents at all of the intersections around Opera House Square. He found that there were more accidents at the intersection of Opera House Square and Broad Street than at Opera House Square and Main Street. Based on the accident data and his observations, he came to the conclusion to replace those yield signs with stop signs. The Traffic Safety Committee concurred with that opinion. He pointed out that he also received two phone calls from other citizens who had the same concerns. He said all of the input that he has received has been positive.

Ms. Taylor stated the Ordinance will be effective immediately on passage.

A motion was made by Mr. Neilsen and seconded by Mr. Irish to pass Ordinance #457 Stop Signs at Opera House Square.

Mayor Pope read the Ordinance into the record.

Mr. Larry Beswick, Ward 2, suggested red lights be placed on top of the stop signs to get attention.

Robert Woodman, Ward 3, believes it is partially a good idea. He suggests including a stop sign when you come from the bottom street. He believes they should all be changed to stop signs. He suggested checking the legality because Main Street and Pleasant Street are state routes.

Ms. Taylor said the area is within the compact zone and the City has jurisdiction to change safety signs.

Mayor Pope closed the public hearing.

Roll call vote: Motion passed 8-0.

2005 City Fee Schedule – Public Hearing

Ms. Taylor explained that the changes are clearly indicated. She said the majority of the fees are not changed. The copying and research fees were standardized throughout all departments.

A motion was made by Mr. Neilsen and seconded by Mr. Austin to accept the 2005 City Fee Schedule as presented.

Mayor Pope opened the public hearing. No one from the public spoke so, he closed the public hearing.

Mr. Prozzo asked when the fees go into effect. Ms. Taylor said it would be on adoption.

Roll call vote: Motion passed 8-0.

CITIZEN FORUM

Donald Plume, Secure Mortgage and the Chamber of Commerce, invited everyone to the Home and Trade Show on March 19th and 20th. He said there would be a ribbon cutting on Saturday at 10 a.m. at the Claremont Middle School.

Mr. Beswick, talked about two junkyards on Pleasant Street and a house on the end of Washington Street. He sees the house is 98% cleaned up. He believes the junkyards on Pleasant Street should be cleaned up. Ms. Giannuzzi asked if he had spoken with the Code Enforcement Officer. He said he had.

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Tom Connair, Ward 2, Ad Hoc Trash Committee, gave his opinion on the need for an additional appropriation for legal fees for solid waste issues that are now impacting the City of Claremont. The Solid Waste Project is dissolving within a couple of years and post dissolution issues have to be dealt with right now. Some of the issues involve liabilities and assets post dissolution, district compact agreements, insurance policies, leases, right of first refusal on property held by Wheelabrator on the land on which the incinerator is sitting, strategies for negotiating issues with Wheelabrator and the Project itself. The City, by not taking an affirmative stance, will, through default, have to accept the decisions of 28 other communities that are now making them. By not hiring outside counsel to assist with these issues, the City is looking at long term detrimental consequences to Claremont. He is encouraging the Council to take a hard look at the necessary appropriations for outside legal assistance. Time is of the essence. He strongly recommends the Council appropriate at least \$50,000 this year to start.

NEW BUSINESS

Discussion of 2003 Audit with Greg Colby from Plodzik & Sanderson

Greg Colby highlighted the Audit for year ended December 31, 2003. Page one is why they are hired. It is to give an opinion on the financial statements. Included is a statement issued by the Governmental Accounting Standards Board (GASB) 34, which requires a complete rewriting of how the financial statements are presented. It says the City did not follow the standard. The Audit is a clean opinion with the GASB 34 exception. On the Balance sheet, page 2, Assets total a little over \$11.5 million. In the Equity section, the City ended the year with a total equity balance of \$1,825,880. Equity is broken into three parts, 1) Reserve for Encumbrance \$103,289, 2) Small Reserve for Inventory \$11,313 and 3) Unreserved and Undesignated \$1,711,278. There is a Revenue Surplus of \$635,804, an unexpended balance of appropriations of \$294,694, which gives a net budget surplus of \$930,498.

Mr. Formidoni asked if we are going to see the write up about the financial statements every year unless we adopt GASB 34. Mr. Colby said we would. Mr. Colby suggested we do a partial conversion of these statements to get ready for full implementation. We are not in an unusual situation. We are in the majority. A lot of communities have not adopted GASB 34.

Mr. Santagate said that \$18,000 was budgeted in 2002 for GASB. We did a Request for Proposal (RFP) and the bid came in at about \$25,000-\$30,000. But, the problem was the maintenance of GASB which would be about \$30,000-\$40,000 per year. GASB 34 says the Federal Government requires an inventory of water pipes, sewer pipes, sidewalks, streets, etc. That's okay, but determining the market value of them is not just straight line depreciation. Mr. Santagate talked with Paul Fredette who said that it would be valuable to Public Works to know, except he needs the real effective age of those components. The expenditure of that money and the benefits that we accrue from that are not in line with one another. Doing GASB 34 does not help your credit rating nor does it reduce your cost of borrowing. Mr. Santagate said he's not against doing GASB 34 if it will benefit the Public Works Department in determining what projects should be on their list first because of the effective age. He thinks going forward we should continue to look at whether the cost to benefit of GASB 34 should be implemented.

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Mr. Colby stated the numbers presented in a GASB report would be practically all the numbers in this report and it would be another 20-25 pages longer with additional information.

Mr. Neilsen asked if the City can start using GASB 34 from a certain point and then go forward, without having to recreate the last 20 years.

Mr. Colby said that it can be done, but not all assets would be identified which would lead to a modified opinion. The tricky thing about GASB is if a government is still using an asset, then it can not be fully depreciated. As a Phase 2 community, Claremont has to track the infrastructure.

PUBLIC COMMENT

Mayor Pope allowed Denise Matthews, Chairperson for Claremont Area Relay for Life, to speak about her event outside of the Citizen Forum.

Ms. Matthews stated there are 6 teams registered and they are looking for more teams. She presented the Mayor with a sign that says "This is a Relay for Life Community" to be put on display in the city. Mayor Pope asked to display the sign at one of the entrances to the city.

Computer Conversion Update

Mary Walter, Finance Director, introduced Joanne Coutu, Vice President, and Jim Smith, President, MuniSmart. They are working on the MuniSmart suite which is the accounting system the City uses.

Ms. Coutu and Mr. Smith gave an overview of the MuniSmart software. The company has over 120 combined years of municipal experience. There are 130 combined years of experience in the software development part of the company.

The software has 28 modules that are fully integrated and it is a full Windows application.

MuniSmart was initially installed in 2003. We have 15 modules installed and running and 5 more will be implemented in 2005. It does up-to-date financial information. It is a live transaction.

Over the last two years, the City of Claremont has implemented 15 of the 20 scheduled modules.

Mr. Formidoni asked if we have unplugged the System 36. Mrs. Walter said we have not because we need the 10 years of historical data that is still on it.

Mr. Irish asked if there is any possibility that the Council will be able to get into the system and look at real time financial information. Mr. Smith said we are currently supporting remote access using Terminal Server and that may be an option for the Council.

Mr. Irish inquired as to the security features of the system. Mrs. Walter responded that review of the security system is on-going.

Mrs. Walter wrapped up Computer Conversion update.

Mrs. Walter addressed the City's Fund Balance part of the Audit. In 2000, the Fund Balance was \$4,303 and in 2004, it's projected to be \$2,074,000. Formerly, the New Hampshire Department of Revenue Administration (DRA) recommended retaining 5% to 10% of the City's appropriations, plus the statewide enhanced education amount and the local school net tax commitment, plus the county appropriation. The Government Finance Officer's Association now recommends 8%-17%. We are barely over the old minimum recommended amount and we are still short of the new recommended minimum. As of 2000 audit, the Fund Balance was \$4,303 with 12 reportable conditions. In the 2001 audit, the Fund Balance had been increased to \$256,091 with 6 reportable conditions. In the 2002 audit, the Fund Balance had been increased to \$676,905 and there were only 3 reportable conditions. As of 2003, our Fund Balance was up to \$1,711,278 and we had no reportable conditions. In four years, we've grown the Fund Balance and we've worked on all of the things in the Computer Conversion. We did all this in addition to standardizing union contract language, rewriting all the job descriptions to come into ADA compliance, conducted a salary survey, and analyzed all compensation packages for all employees plus did all daily duties.

Mr. Irish asked if the property tax module can do quarterly billing. Mrs. Walter said that we can make it do quarterly billing.

Sale of City Owned Property Map 68 Lot 14 – 796 Main Street

Mayor Pope removed this item from the agenda.

Sale of City Owned Property Map 119 Lot 306 – 26 Myrtle Street (the Way School)

Anthony Lyons, Planning and Development Director, announced that the City's website came in 2nd place at the Seventh Annual New Hampshire Internet Award Ceremony.

Mr. Lyons stated at the end of the presentation, he would be asking for help in moving forward to allow the City Manager to negotiate a contract.

Nancy Merrill, Business Development Coordinator, explained who the principals are in the partnership that will be recommended for the project. They are a partnership called Penstock Real Estate, LLC. Judith Nessellet is the Developer. She owns Blackwood Properties in Nashua, New Hampshire, and has been a Residential Broker since 1988. The General Contractor is Trumbull-Nelson from Hanover, New Hampshire. Ray Noland, Consultant from Nashua, New Hampshire, has done a number of subdivisions in the southern part of the state.

The proposal is to develop 12 condominiums. The outside of the building will look the same as it does now. There will be new landscaping in the back. They will be 1 to 2 bedrooms with den. A lift will be put in.

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Ms. Merrill recommends the Council negotiates a purchase and sale agreement with Penstock Real Estate, LLC. They are ready to move forward with an early closing date and would begin within 30 days of permits being secured.

Judy Nessett stated she is an Appraiser with 19 years experience. Mrs. Cutts asked where the idea came from. Ms. Nessett stated Claremont was in need of reasonably priced condominiums.

Mr. Formidoni asked if Ms. Nessett had turned a school into a condo in any other community. Ms. Nessett stated that she had not, but she had seen the inside of others.

Ms. Giannuzzi gave kudos to Planning and Development and also wanted to make it clear that, again, we are saving another historical building in our City.

Mr. Austin asked how much the condos will cost. Ms. Nessett stated it was important to not choke the life out of the community so; the price range will be approximately \$100,000-\$150,000.

Mr. Austin asked if Ms. Nessett expected people to come from Hanover or Lebanon to purchase these condominiums. Ms. Nessett said she expects Claremonters to purchase them. She stated there has not been any condo development in this area for approximately 15 years. She thinks it is important to take care of our own people who are living here.

Mr. Lyons stated the desired action is for the City Manager to have the ability to enter into negotiations with Penstock, LLC, for the purpose of negotiating a purchase and sale for the Way School.

Mr. Prozzo asked about the parking situation. Ms. Nessett said the only green portion of the lot is in the front. According to her understanding of local ordinance, it is required to have 2 spaces per unit with one guest per every 2 units. She stated there will be almost double that.

Mr. Lyons stated the lot is about 1.1 acres. The building footprint is about 8,000-9,000 square feet and an acre is about 45,000 square feet, so there is quite a bit of space.

Ms. Giannuzzi asked if the school board could be informed if there were going to be significant growth so they could be prepared.

Motion was made by Mr. Prozzo and seconded by Mr. Austin to allow the City Manager to negotiate and enter into a purchase and sale agreement for the Way School Building.

Mr. Neilsen asked that any water/sewer impact fees for revitalization of the building be determined up front.

Motion passed 8-0.

Ordinance #458 – Weight Limitation – Winter St. – 1st Reading

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Ms. Taylor explained this Ordinance adds an additional section to City code that limits weight for commercial vehicles on the entire length of Winter Street. Part of the problem is that with the expansion of Washington Street, large trucks (semis, heavy delivery trucks, logging trucks) have been turning up Winter Street either because they think they can get to I-91 or they think it is a short cut. This does not affect City trucks because they are not within this class of commercial vehicles. Delivery trucks are still permitted as are maintenance and fire trucks.

Ms. Giannuzzi wants to make sure that this is just a first step in the City's look at the roads that the trucks are traveling.

Ms. Taylor stated that this Ordinance did not generate as part of a larger plan, but we are looking at several roads and perhaps it is a good idea to pull them all together in a more cohesive strategy.

Mr. Prozzo asked if the 744th Transportation Company would be exempt. Ms. Taylor said government vehicles are exempt.

Ms. Taylor read the Ordinance into the record.

Ms. Taylor said the goal is to limit through trucking.

A motion was made by Mr. Prozzo and seconded by Mr. Austin to adopt Ordinance #458 – Weight Limitation – Winter Street on first reading.

Roll call vote: Motion passed 8-0.

Acceptance of Grant from the Department of Safety, Bureau of Emergency Medical Services in the Amount of Approximately \$2,500 for an Automatic External Defibrillator

Fire Chief Peter Chase applied for an AED (Automatic External Defibrillator) to be mounted in the Fire Station. There is no match. These units are much more effective than CPR in the event of a cardiac arrest. He asked the Council to accept the grant.

Mrs. Giannuzzi asked if this unit talks to the user and does it come with training.

Chief Chase stated yes it does talk and the Fire Department personnel are already trained in the use of AEDs.

A motion was made by Mr. Formidoni and seconded by Mr. Prozzo to accept the Grant from the Department of Safety, Bureau of Emergency Medical Services in the Amount of Approximately \$2,500 for an Automatic External Defibrillator as written.

Motion passed 8-0.

Acceptance of Grant from the New Hampshire Fish and Game Department in the Amount of \$3,360 for Off Highway Recreational Vehicle (OHRV) Enforcement Patrols

Police Chief Alex Scott stated the grant will allow patrols of OHRV trails especially in the area of Washington Street. They have done 62 hours of patrols in those areas and the grant will allow another 80 hours of patrols. It will take them from today through June.

A motion was made by Mr. Prozzo and seconded by Ms. Giannuzzi to accept the Grant from the New Hampshire Fish and Game Department in the Amount of \$3,360 for Off Highway Recreational Vehicle (OHRV) Enforcement Patrols with congratulations.

Motion passed 8-0.

CITY MANAGER REPORT

Mr. Santagate made a comment about Tom Connair's discussion. Mr. Santagate believes Wheelabrator is probably going to be here and burning trash for someone, whether it is Claremont or someone else. He felt if that was the case, there are two things he is hoping for the City. He is hoping to get fairly assessed tax revenue of real estate for the City and he wanted to leave the door open so he could approach the Wheelabrator and discuss some kind of host fee that the City should have gotten some 20-25 years ago. He believes Tom Connair is right and we can't just sit by and civilly negotiate, because all the signs that you read are a pointed attempt to gouge the City. He will probably come back to Council to request \$50,000 to come from Fund Balance so that we can start to action.

Ms. Cutts supports Mr. Santagate seeking subject matter experts to attend sessions, seek information and recommend decisions that are in our best interest.

Mr. Irish thinks that is the right approach. He said nobody is protecting Claremont and we need to find the money for a Lobbyist.

Mr. Prozzo voiced his support for the Council and the City Manager to do something.

FUTURE AGENDA ITEMS AND DIRECTIVES

Mayor Pope would like to see a sign "Home of the 744th." Would like to see signs as you enter the City that have different organizations on them. His directive is to have the cost investigated to do the 744th sign.

Ms. Giannuzzi would like to see the status of the big projects, such as Home Depot and Lowe's. Also, some walking lights on Washington Street are not working. She would like to see what we are doing about upping the patrols on Washington Street and getting some radar guns out there.

Mr. Irish congratulated Joe Osgood for his election to the House Representatives.

Mr. Irish asked that we get an update on the Track on the next Agenda.

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Mr. Irish said the City needs a truck route before summer. Ms. Taylor had a brief meeting in Concord to talk about the truck route and she will follow up with a letter.

Mr. Irish said we need to get quarterly billing on an agenda.

Mr. Irish asked Mr. Lyons about adding e-mail addresses for the Council and Representative information on the web site. Mr. Lyons said a number of updates will be coming for the web site.

COMMITTEE REPORTS

No Committee Reports

NON-PUBLIC – City Property RSA 91-A:3 II(d)

At 9:42 p.m., a motion was made by Mr. Prozzo and seconded by Mr. Austin to move to Non-Public – City Property RSA 91-A:3 II(d).

Roll call vote: Motion passed 8-0.

A motion was made by Mr. Prozzo and seconded by Mrs. Cutts to seal the minutes of the non-public session until such time as the Council votes to unseal them.

Motion passed 8-0.

A motion was made by Mr. Prozzo and seconded by Mrs. Cutts to come out of non-public session at 10:50 p.m.

Motion passed 8-0.

Public Session

ADJOURNMENT

A motion was made by Mr. Prozzo and seconded by Mr. Austin to adjourn the Council meeting at 10:51 p.m.

Motion passed 8-0.

Respectfully Submitted,

Dorée Russell
Clerk to the Council