

The Claremont City Council held a meeting on Monday, November 29, 2010, in the Council Chambers of City Hall.

The meeting was called to order by Mayor Cutts at 7:00 p.m.

Members of the Council present were:

Ward II Councilor Keith Raymond
Ward I Councilor Victor Bergeron
Ward III Councilor Nicholas Koloski (Late)
Assistant Mayor Andrew Austin
Mayor Deborah Cutts
At-Large Councilor Adam Burke
At-Large Councilor Christopher Lewis
At-Large Councilor Kyle Messier
At-Large Seat is Vacant

Also present were:

Guy Santagate, City Manager
Jane Taylor, City Solicitor

MAYOR'S NOTES

None

CITIZEN'S FORUM

No one spoke.

NEW BUSINESS

Resolution 2010-26 Overspend Parks Budget by up to \$10,000 – Public Hearing

Mary Walter, Finance Director, said there was a fuel oil leak related to the underground heating oil storage tank at Barnes Park and we need the money for clean up. Timeliness is of the essence. She was not sure Parks would have the money in its accounts.

Mr. Raymond asked about the leak. Ms. Walter said details are unknown. We have a call in to Primex and DES (Department of Environmental Services) and Clean Harbors has come in. We do know that 199 gallons are gone. We need to verify if those gallons leaked into the ground.

Mr. Bergeron asked if there was a chance it was siphoned. Ms. Walter said we are hoping for the best. There is an Oil Fund disbursement that we can use if needed, but we have to be able to remove the tank and to remediate the dirty soil if needed.

Mr. Austin asked how old the tank is. Ms. Walter said she believes it is 40 years old.

Mayor Cutts asked what the tank supports. Ms. Walter said there is a big storage area under Barnes Park the Parks people use for refurbishing equipment during the winter. A 275-gallon above-ground tank has been put in place.

A motion was made by Mr. Bergeron and seconded by Mr. Burke to adopt Resolution 2010-26 Overspend Parks Budget by up to \$10,000.

Mr. Bergeron read the resolution into the record.

Mayor Cutts opened the public hearing. No one spoke. She closed it.

Roll Call Vote: Motion carried 7-0.

ADOPTING THE 2011 BUDGET

Mr. Santagate said the budget is coming in at the 3% goal following four years of level funding. One of the major goals is no layoffs and we continue to build Fund Balance. Last year we took \$682,000 from Fund Balance for good reasons, but the credit rating agencies look at Fund Balance so we must continue to build it. His recommendation is to not use Fund Balance again this year. There are some risks in this budget. Shared Revenue was suspended for two years and should be restored in July of 2011 (1/2 way through our budget year) according to Governor Lynch's promise last year. We budgeted \$160,000 in this budget which is annualized at \$320,000, if the state does not pay that to us, we have to absorb that in other parts of the budget. He read Senator Odell's (Chair of the Senate Ways and Means Committee) column, "the legislature, with a veto-proof majority, is looking for a government that will operate with less spending. That will insure that new and increased taxes and fees will not be on the agenda as we move toward a balanced budget to be approved next June." Mr. Santagate said he hopes that comment means they won't downshift to the local level. We have a sound, tight and lean budget.

Resolution 2011-1 Tax Anticipation Note – Public Hearing

A motion was made by Mr. Burke and seconded by Mr. Raymond to adopt Resolution 2011-1 Tax Anticipation Note.

Mayor Cutts opened the public hearing. No one spoke. She closed it.

Roll Call Vote: Motion carried 7-0.

Resolution 2011-2 Adopting the 2011 General Fund Budget for the City of Claremont –
Public Hearing

Mr. Bergeron said he would like to remove \$30,000 from Planning for the entrance signs and he suggested moving it to the Fire Department Apparatus line as a better place. Mr. Burke agreed.

Mr. Bergeron suggested Police and Fire come back in July after it is determined that the state funding is in place and he will then vote for new people.

Ms. Messier said she will not be in favor of adding positions at this time. Her reasons were 1) this is hard economic times and she is worried about raising taxes, 2) in previous years the state has balanced its budget on the backs of the municipalities, and 3) it would be a great disservice to hire and then have to layoff people due to downshifting. She would like to hear the proposals again in six months after we hear from the state.

Mr. Burke asked about Marketing for Planning and Development. Nancy Merrill, Planning and Development Director, said the full \$5,000 will be used for this year.

Mr. Lewis talked about the Communications department and that he believes it is understaffed. Ms. Messier said she understands that there are significant needs in both Police and Fire, but her reasons still stand for waiting until July. Mr. Bergeron asked if Police Chief Alex Scott can wait until July to talk about a new person. Chief Scott said he has been waiting for seven years already. Mr. Bergeron said ending the saving of money every year for fire apparatus was not okay with him. Mr. Lewis said his plan is not to take the \$30,000 to fund a Communications position. Funding that position would save on overtime. Mr. Austin said this is the most difficult budget he has sat in on, but he thinks it is fair. Mr. Burke agreed with Mr. Bergeron that saving money for fire apparatus saves money in the long run. His intention is to reduce Planning to \$714,876 and to increase Fire to \$2,130,604, with \$30,000 going into the apparatus line item. He asked Chief Scott for an overview of the Communications department and how much it would cost to hire a part-time or full-time person.

Chief Scott gave an explanation of the Communications Department. There are 4 full-time dispatchers and 1 dispatch manager and they supplement with part-timers. Part-timers are a challenge because the level of training and proficiency is not the same as full-time. He requested another full-time person, but instead the Manager gave an increase in overtime and part-time hours. Ms. Walter said there is 48 hours a week for part-time in the budget. She further explained that the compounding effect of each new employee would hurt the budget going forward. Mayor Cutts said adding one dispatcher would be \$65,000. Ms. Walter said that is correct if they take a 2-person insurance plan; if they take a family plan, add \$8,000. Mr. Santagate said using the median cost for 3 new employees, that would equal \$228,000 and a 3% increase in the budget equals \$300,000 in new dollars. That leaves only \$78,000 to do what we need to do.

Ms. Walter further explained the compounding effects of adding new employees.

Mayor Cutts said she is not comfortable shifting money between departments. She echoed Ms. Messier's position. She will accept the City Manager's budget as is. As soon as we know what will happen with the Shared Revenue, bring the requests back to Council.

Mr. Austin is in favor of approving the budget as is. He travels out of town and hears lots of good things about the city. He thinks the money spent on the signs will be beneficial.

Mr. Lewis said he doesn't disagree with what was said. He talked about looking at different line items. He asked about the net amount to add a dispatcher. Ms. Walter said with a family plan, it would be \$71,600 and overtime could be reduced by \$15,000. Mr. Lewis asked about reducing the part-time and Ms. Walter said she wouldn't recommend that we do it.

At 7:58 p.m. Mr. Koloski arrived.

There was more discussion about adding a dispatcher and Ms. Walter reminded Council about the future compounding effect of adding people. Mr. Santagate said it changes the projected tax rate.

Mr. Bergeron said he would go with Mr. Santagate's 3% increase, if the school and county would do the same.

A motion was made by Mr. Bergeron and seconded by Mr. Lewis to reduce the Planning and Development budget by \$30,000 for a total of \$714,876 and to reduce the General Fund to \$14,567,516.

Mr. Burke said he would like to see the \$30,000 go to the Fire Apparatus budget. He will vote against this.

Mayor Cutts opened the public hearing.

Joe Osgood, State Representative and Ward 2 resident, said he will vote to get the Shared Revenue money back to the City. He is an advocate for a capital reserve. He is an advocate for not taking paving money from the highway department. The state is working to gain the confidence of businesses. We don't need to take even one year off from taking care of the roads. We need to continue to maintain roads. Businesses pay the "sales tax" and "income tax." Property taxes for municipalities run parallel with almost every state. The problem is that the state is not taking its responsibility.

Steve Raymond, Ward 1, thinks the \$30,000 can be used in better areas. He still has an issue with East Green Mountain Road. Public Works has done a lot of work in that area, but there are still road issues in the City.

Mr. Lewis said the intent for his second was for discussion purposes only.

Mayor Cutts said she will vote against the motion as it pits one department against another.

At 8:20 p.m., Mr. Koloski took his seat at the Council table.

Roll Call Vote: Motion failed 1-7 with all voting no except Mr. Bergeron.

A motion was made by Mr. Burke and seconded by Mr. Raymond to reduce Planning and Development's budget by \$30,000 for a total of \$714,876 and to increase Fire's budget by \$30,000 for a total of \$2,130,604 with the suggestion that it would go to the Apparatus line. There would be no change to the bottom line.

Mr. Bergeron said he will vote no because he doesn't want to pit one department against the other. He realized that one year of not putting the money into the Fire Apparatus line will not hurt.

Mr. Koloski believes one year would hurt. He is torn about taking from one department and giving to another department.

Mayor Cutts said she will vote against this because she won't pit one department against another. She supports the Apparatus account. She is in favor of restoring the money to the account.

Roll call vote: Motion failed 3-5 with Mr. Bergeron, Mr. Koloski, Mr. Austin, Ms. Messier and Mayor Cutts voting no.

Mr. Santagate said that over the last 7 years, we have spent \$7,866,899 on the roads and absorbed a lot of downshifting from the state. Ms. Walter said that doesn't include almost \$1 million FEMA money.

A motion was made by Mr. Burke to add \$32,000 to the Fire Department budget for a total of \$2,132,604 which would make the General Fund \$14,629,516 with the suggestion that the addition money go to the Apparatus line item. There was no second. Motion died.

A motion was made by Mr. Austin and seconded by Ms. Messier to adopt Resolution 2011-2 Adopting the 2011 General Fund Budget of \$14,597,516 with Revenue of \$4,965,343 for the City of Claremont.

Mr. Austin read the resolution into the record.

Mayor Cutts asked about taking the \$32,000 from Fund Balance. Ms. Walter said it can be done at any time.

Mr. Bergeron said he will vote no because he can't justify leaving the \$30,000 in the budget.

Mr. Burke said the new entry signs are part of the CIP. He said it is short-sighted to not approve the Apparatus fund which will save taxpayers money in the future.

Mr. Koloski said he will attempt to restore funding from Fund Balance when the status of the money from the state is known. He understands Councilors can't micromanage. He doesn't want the money to go to the welcome signs at the expense of marketing.

Mayor Cutts opened the public hearing.

Steve Raymond, Ward 1, said the \$30,000 would make more sense to go to other uses besides the signs.

Tom Burnham, Ward 1, said a lot of time and discussion has been put into this budget, so it is time to vote on it and move on to the other budgets.

Roll Call Vote: Motion carried 5-3 with Messrs. Bergeron, Burke and Lewis voting no.

Resolution 2011-3 To Adopt the 2011 Water Division Budget for the City of Claremont – Public Hearing

A motion was made by Mr. Austin and seconded by Mr. Bergeron to adopt Resolution 2011-3 To Adopt the 2011 Water Division Budget of \$1,718,298 for the City of Claremont.

Mr. Austin read the resolution into the record.

Mayor Cutts opened the public hearing. No one spoke. She closed it.

Roll Call Vote: Motion carried 8-0.

Resolution 2011-4 To Adopt the 2011 Sewer Division Budget for the City of Claremont – Public Hearing

A motion was made by Mr. Bergeron and seconded by Mr. Austin to adopt Resolution 2011-4 To Adopt the 2011 Sewer Division Budget of \$2,214,519 for the City of Claremont.

Mr. Bergeron read the resolution into the record.

Mayor Cutts opened the public hearing. No one spoke. She closed it.

Roll Call Vote: Motion carried 8-0.

Resolution 2011-5 To Adopt the River Road Tax Increment Finance District Budget for the City of Claremont – Public Hearing

A motion was made by Mr. Raymond and seconded by Mr. Bergeron to adopt Resolution 2011-5 To Adopt the River Road Tax Increment Finance District Budget of \$553,200 for the City of Claremont.

Mr. Raymond read the resolution into the record.

Mayor Cutts opened the public hearing. No one spoke. She closed it.

Roll Call Vote: Motion carried 8-0.

Resolution 2011-6 To Adopt the Downtown Tax Increment Finance District Budget for the City of Claremont – Public Hearing

A motion was made by Mr. Austin and seconded by Mr. Raymond to adopt Resolution 2011-6 To Adopt the Downtown Tax Increment Finance District Budget of \$998,050 for the City of Claremont

Mayor Cutts opened the public hearing. No one spoke. She closed it.

Mr. Austin read the resolution into the record.

Roll Call Vote: Motion carried 8-0.

CONSULTATION WITH LEGAL COUNSEL

None

ADJOURNMENT

At 9:06 p.m., a motion was made by Ms. Messier and seconded by Mr. Austin to adjourn.

Roll Call Vote: Motion carried 8-0.

Respectfully Submitted,

Dorée M. Russell
Clerk to the Council