

The Claremont City Council held a meeting on Wednesday, February 8, 2012, in the Council Chambers of City Hall.

The meeting was called to order by Mayor Neilsen at 6:30 p.m.

Members of the Council present were:

At-Large Councilor Keith Raymond  
Ward III Councilor Nicholas Koloski  
Assistant Mayor Andrew Austin  
Mayor James Neilsen, IV  
At-Large Councilor Christopher Irish  
Ward II Councilor Roger Formidoni  
At-Large Councilor Kyle Messier  
At-Large Councilor Thomas Burnham

Absent:

Ward I Councilor Victor Bergeron (Excused)

Also present were:

Guy Santagate, City Manager  
Jane Taylor, City Solicitor

#### **MAYOR'S NOTES**

Mr. Santagate talked about Arrowhead and its volunteerism featured on *NH Chronicle*. He said it was a real ten-strike for the City. Mayor Neilsen agreed. Mr. Neilsen noted that Councilors are volunteers and he thanked them.

Mr. Burnham said Arrowhead needs volunteers for Winter Fest. There will be tubing races this week and the cardboard sled race the following Saturday.

#### Stevens High School Student Council Update

None

#### **REPORT OF THE SECRETARY**

**A motion was made by Mr. Koloski and seconded by Mr. Raymond to accept the minutes of the January 11, 2012, City Council meeting.**

Ms. Messier abstained as she was absent from that meeting.

**Roll Call Vote: Motion carried 7-0 with 1 abstain, Ms. Messier.**

## **APPOINTMENT TO BOARDS AND COMMITTEES**

### Claremont Development Authority – Full Board

**Mr. Koloski nominated Michael Satzow to seat #9 on the Claremont Development Authority – Full Board. Mr. Formidoni seconded.**

**Roll call vote: motion carried 8-0.**

## **OLD BUSINESS**

### Review of Council Rules

Mr. Burnham said the Rules seem to work and he would like to leave them alone. Mr. Koloski said he is happy with the Rules as long as he is able to ask questions.

Mr. Formidoni asked for, and received, clarifications on Rules #17 and #22.

Mayor Neilsen clarified to Mr. Koloski that he did not wish to stifle questions, but to get questions to be more succinct. If more information is needed, then Councilors may request to ask further questions.

Bernie Folta, Ward 3, said in his opinion there is something lacking in the Rules or Charter or ordinances and that is the matter of the Council agenda. He thinks the agenda process should be transparent. He said he knows that games have been played in reference to boards and commissions appointments. He said he heard the term “agenda setting meeting.” He said it would be nice if it were a public meeting and that every Councilor should be able to put whatever they want on the agenda.

## **CITIZEN’S FORUM**

Rusty Fowler, Ward 3, talked about the conditions of the Washington Street and Moody Avenue intersection. He said a petition by the residents in back of Arrowhead Motors was taken in August 2010 that stated the traffic problems there. He said it has been a year and a half and Councilors have not asked for an update. It was recommended that this go to the Traffic Advisory Committee. He has met with Public Works Director Bruce Temple several times and was referred to Nancy Merrill and still there is no action. Vehicles at Arrowhead Motors are parked on the corner of Moody Avenue and Washington Street. He talked about the site plan showing that the display area is further back on the lot. Nothing is supposed to be parked on that corner. He said when exiting Moody Avenue, people have to pull out beyond the stop line to be able to see oncoming traffic. He believes Moody Avenue is the most dangerous entrance onto Washington Street because of the slight curve in the road. He asked who is responsible for

enforcing these site plans. That corner is supposed to be a travel lane from the garage. He asked the Council to follow up at the March Council meeting.

Bernie Folta, Ward 3, said in reference to the comment that the City Councilors are volunteers. He said that calling them volunteers minimizes their roles. They are more than volunteers; they are public representatives with the responsibilities of that position. He said he uses the term bureaucrats (paid public employees) as a minimization term. He suggested using the words such as people representatives instead of using the word volunteers and he would use the term paid public employees.

## **NEW BUSINESS**

### Presentation of Donation for the New Community Center from the Claremont Dunkin' Donuts and the Scrivanos Family

Scott Hausler, Parks and Recreation Director, said that Dunkin' Donuts and the Scrivanos family have donated \$5,000 to the New Community Center. Theresa Forte and Jason Terry, Dunkin' Donuts, presented the donation. Ms. Forte said that Dunkin' Donuts has been in Claremont for over 8 years, since February 2003. They hope to furnish a room in the New Community Center.

### Wastewater Treatment Plant O&M Excellence Award

Bruce Temple, Public Works Director, said that at the New England Water Environment Association Annual Awards on January 25<sup>th</sup>, the NH Department of Environmental Protection Agency awarded the 2011 EPA – New England Regional Wastewater Treatment Plant O&M Excellence Award to the Claremont, NH, Wastewater Treatment Facility. Mr. Temple presented the plaque to Robert Lauricella, Plant Manager, who thanked Public Works for its support.

### New England Regional Joseph Trapasso Programmers Award

Scott Hausler spoke about receiving the Joseph Trapasso Programmers Award. The award is a New England regional award, presented to those that have demonstrated a minimum of three years experience in a position where the primary responsibility is in programming and have introduced new/innovative programs. This was presented by his peers. He stated that this award says a lot about Claremont and the support he and his staff receives.

Mr. Santagate said it is nice to see that both Mr. Temple and Mr. Hausler have been recognized by their peers. He knows it is a team effort.

### Motion to Accept CDFFA Funds for New Community Center

Mary Walter, Finance Director, said the CDFFA (Community Development Finance Authority) had awarded N3C (New Community Center for Claremont) tax credits to sell. Part of the City taking over the project is to move the funds from N3C's name into the City's name. This is

housekeeping. The tax credits have been earned and the City needs Council authorization to move them.

**A motion was made by Mr. Austin and seconded by Mr. Raymond to authorize the City Manager or his designees to execute such documents and perform all actions as may be required on behalf of the City of Claremont to take over administration of the project “New Community Center for Claremont,” Grant # 09-222-CDIP-CF in the amount of \$309,900, and accept up to \$247,920.00 from the New Hampshire Community Development Finance Authority (CDFA) in proceeds from the sale of Investment Tax Credits, allocated by the CDFFA for construction and development for a new Community Center, said funds to be used for the benefit of the construction of a new Community Center.**

Mr. Irish asked where the money resides. Ms. Walter said N3C still exists and people can make tax deductible donations to them. The donation from Dunkin’ Donuts went to N3C.

Ms. Taylor said that anyone can also make a donation to the City directly and it would also be tax deductible.

Mr. Neilsen asked, in reference to the bonded money and City staff, when N3C will transition out and what the N3C role is. Ms. Walter said there are some five-year pledges through N3C so they need to stay around until that is done. Mr. Neilsen asked for an update of the N3C role at a future Council meeting.

Mr. Irish asked that if contributions to the City qualify for a tax break, why we need N3C. Mr. Santagate explained the pledges have been made for a five-year period. He thinks now that the project is real, there is a chance we will get more donations. It is now a City project. Prior to bond, it was the responsibility of the N3C board.

Mr. Austin asked if donations can be used to pay off the bond. Ms. Walter said we have not received a lot of money, just a few thousand over five years.

Mr. Neilsen asked if N3C has fundraisers, will they work with Scott Hausler and how will it be determined how the money will be applied. Ms. Walter said N3C is in place to collect the money and they fill out their annual report for their non-profit status.

Bernie Folta, Ward 3, said the Community Development Finance Authority (CDFFA) tax credits are not money, they are money for somebody who buys the tax credits. His impression is that this sounds like N3C did not sell the tax credits, so they will turn them over to the City who will market them. His second point is that the City is subject to RSA 91-A, right-to-know law. N3C is a non-profit not subject to RSA 91-A. He testified on House Bill 1208 which aims to make organizations such as N3C quasi-governmental and subject to RSA 91-A.

Mr. Neilsen asked about the dollar amounts in the motion. Ms. Walter said that the tax credits have been sold. They have been sold to businesses who get payroll tax credit from the state. N3C pays CDFFA and CDFFA gives us 80% of what is sold.

Mr. Koloski echoed Ms. Taylor's comment that donations made to the City are tax deductible. Ms. Walter said that donations made to the City may not be able to be done anonymously.

**Roll call vote: motion carried 8-0.**

Motion to Adopt Credit Card Policy

Ms. Walter said this is part of the process to institute credit card acceptance.

**A motion was made by Mr. Koloski and seconded by Mr. Irish that WHEREAS the City of Claremont has authorized payment of all amounts due to the City of Claremont from property taxes, sale of utility services, or other fees or charges by use of a credit card, debit card or electronic transfer by enactment of Ordinance #523, the Claremont City Council hereby adopts the Credit Card Processing and Security Policy (the "Policy"), as presented, and authorizes the City Manager or his designees to take such actions as may be necessary to implement the Policy in accordance with applicable federal, state and local law, ordinance, regulation and rule.**

Mr. Irish asked about electronic transfer. Lisa Richmond, Treasurer, said this is ACH (Automated Clearing House) through a third party processor. Mr. Irish asked about security for the City. Ms. Walter said the process will be PC1 compliant. Ms. Richmond said we will get annual certification from the credit card processor.

Mr. Neilsen said in reference to protection, if there is a breach, the third party will take care of it.

Ms. Messier asked about not storing information and under what conditions would information be stored. Ms. Richmond said the numbers are truncated and the user's name has to be stored securely.

Mr. Irish asked when this will be available. Ms. Walter said she hopes this is the last piece and then we can select a vendor and start working with the vendor to train staff. She hopes to be ready before the next tax bills.

**Roll call vote: motion carried 8-0.**

Motion to Increase Deposit to Fire Apparatus Replacement Capital Reserve Fund

Ms. Walter said in 2006 Council passed a policy to put money into the apparatus replacement fund. Any money from equipment that was sold for \$25,000 or less would go into that account. The last piece of equipment sold for \$25,200.

**A motion was made by Mr. Raymond and seconded by Ms. Messier that WHEREAS in 1998 the City Council established a Fire Apparatus Replacement Capital Reserve Fund (the Fund) and in 2006 authorized the City Manager or his designee to dispose of unneeded**

**or obsolete fire equipment or apparatus and deposit the net proceeds of any such sale into said Fund in an amount not to exceed \$25,000.00; and**

**WHEREAS the City of Claremont has sold the Fire Department's 1989 Federal Motors, Hurricane Model, Class A Pumper, which was determined to be obsolete and no longer needed by the City, for the sum of \$25,200.00;**

**The Claremont City Council hereby authorizes deposit of the full proceeds from this sale in the amount of \$25,200.00 into the Fund, notwithstanding the 2006 limitation, and further authorizes the City Manager or his designees to execute all documents and undertake all actions as may be required to implement this Motion.**

Mr. Neilsen said on the financial report that the current balance is \$14,638. He asked about the annual contribution from fire hydrants. Ms. Walter said that contribution used to be \$94,000 minus lease payments. The water rate study determined it costs about \$450 for each hydrant and we have over 400 of them, so the amount should be about \$170,000. We are phasing that amount in. \$225,000 was used for the last vehicle purchased. This \$25,000 will be used to start saving toward a future equipment purchase which will cost about \$700,000. We have a leasing schedule for larger items.

**Roll call vote: motion carried 8-0.**

Motion to Approve 2012 Equipment Lease Financing

Ms. Walter said this is a leasing program. We will put out the financing proposal, get approval and then put out the articles to bid. In the CIP (Capital Improvements Plan) there is \$468,000 for purchases and that is what this request is for. There are eight pieces of equipment in here as well as the unified communications equipment (new telephone system) which will move our technology forward. Red River Computer Company analyzed the system. The \$80,000 has not been spent yet. We received three proposals (2 qualified and 1 not). The award went to the low bidder: Red River Computer Company. All of these pieces were appropriated in the 2012 budget.

**A motion was made by Mr. Formidoni and seconded by Mr. Burnham to authorize the City Manager to enter into multi-year lease agreements for vehicles and equipment for the Public Works and Parks & Recreation Departments and for unified communications equipment for the General Services Department (City Hall) at a cost for the first year of the leases of \$88,090.00 for Public Works, \$9,197.00 for Parks and Recreation and \$30,864.00 for General Services, the 2012 costs having been raised and appropriated in the 2012 budget. The proposed lease agreements contain a termination clause in the event of non-appropriation of sufficient funds.**

Mr. Irish said his wife works for Red River Computer Co., so he will abstain from voting on this.

Ms. Walter said that Mr. Irish is a big user of Red River, she asked to be able to ask questions of him so that she could understand the process better. Council concurred.

Mr. Neilsen asked what the term of the lease is. Ms. Walter said they are all 5 years. Mr. Neilsen asked how it is determined what goes on the list. Ms. Walter said it is part of the 6-year CIP. Directors determine what the need is. Every year the Planning Board reviews then recommends changes and the Council votes on it as part of the budget.

Bernie Folta, Ward 3, said he wondered if there was anything unique about this financing from others previously.

Mr. Koloski asked what vehicles are being replaced. Ms. Walter said they are F250 truck, F350 truck, two F550 trucks, Bomag dirt roller, International 7400 dump truck, 35 hp tractor and a zero turn mower.

Mr. Neilsen asked about the ten-year lease when Public Works got a lot of vehicles. Ms. Walter said there is a year or two left.

Mr. Koloski asked about trading in the vehicles. Ms. Walter said we have a dollar buy out at the end of the lease term. A lot of times the vehicles will be traded in and sometimes vehicles are transferred to other departments. Sometimes the vehicles are bid out if we can't get a good trade-in price.

**Roll call vote: motion carried 7-0 with 1 abstain (Mr. Irish).**

Ordinance 525 Library Board of Trustees – First Reading

The purpose of this proposal is to update the Claremont Code provisions establishing the Library Board of Trustees. The primary change is a reduction in the number of members of the Board from 9 to 5, which was requested by the current Board. The proposed ordinance also provides for alternate members, establishes terms and the requirements for a quorum. These provisions codify the current practice, which had previously been authorized by resolution.

Enactment of this Ordinance will improve the ability of the Library Board of Trustees to act in a timely and efficient manner.

Ms. Taylor said this ordinance was brought forth at the request of the Library Board of Trustees to have the number of board members reduced as they were having troubles getting a quorum together. This would reduce the number from 9 to 5 with 3 alternates. Some of their by-laws appear in a 1989 resolution and that will now be put into the Code with this ordinance. The four current members would serve out their terms so we would need one additional member to fill out the board and then they would go into staggered terms.

**A motion was made by Mr. Koloski and seconded by Mr. Raymond to adopt Ordinance 525 Library Board of Trustees on first reading.**

Mr. Koloski read the explanation of proposed action.

Mr. Raymond asked how many board members there are now. Mike Grace, Library Director, said there are currently four.

Mr. Austin asked what constitutes a quorum. Ms. Taylor said currently with nine members, five would be a quorum. If this is adopted on second reading, three would be a quorum.

Mr. Raymond sent out a plea to the community that there are board vacancies available and to apply.

Mr. Irish echoed Mr. Raymond's comments. This is the second board in less than two years to downsize because we do not have enough volunteers.

Ms. Taylor said part of the reason for the three alternates is so this doesn't discourage public participation. There will be eight opportunities for service instead of nine.

**Roll call vote: motion carried 8-0.**

Ordinance 526 Update Fire Code – First Reading

The purpose of this proposed change is to adopt the most recent version of the State Fire Code, as adopted by the State Fire Marshall's Office in 2011.

Enactment of this Ordinance will update the Claremont City Code and bring it into compliance with state law and regulation.

Fire Chief Rick Bergeron said this is to align the local ordinances to the state codes. On December 23, 2011, the state updated the fire code. This will align our Code with state law.

**A motion was made by Mr. Irish and seconded by Mr. Austin to adopt Ordinance 526 Update Fire Code on First Reading.**

Mr. Irish read the explanation of proposed action.

Mr. Koloski asked if this creates extra activity in the City. Chief Bergeron said no; the state fire code is the law of the state and every community in the state is subject to that law. This updates the NFPA standards that we follow. For the past several years we have been operating under the 2003 code which is updated every 3 years. We won't see any dramatic changes.

Nancy Merrill, Planning and Development Director, said there are some inconsistencies between the current building and the old fire codes, but this will close some of those inconsistencies.

Ms. Taylor noted that technically the last time the fire code was adopted was in 1991, so theoretically we are running, in the code, under NFPA 101, 1988 edition.

**Roll call vote: motion carried 8-0.**

Motion to Accept Emergency Management Performance Grant of \$13,247 for Minitor V Pager Project

Fire Chief Rick Bergeron gave an explanation of the FCC's (Federal Communications Commission) change to narrow banding for radio frequencies. By January 1, 2013, all emergency services must comply with narrow banding in order to reduce radio interference. The state procured federal funding to replace emergency services mobile radios and portable radios with narrow banding compliant equipment, however, the pagers have not been replaced. This state emergency management grant offers 50% funding. The cost for 40 pagers is \$22,880, plus training \$2,770.34, and in-house administration and documentation \$843.66, for a total cost of \$26,494. The state department of homeland security's share is \$13,247; the City's share is \$13,247 and that money will come from the reimbursement from FEMA for Tropical Storm Irene, \$4,891; training will be done in-house, \$2,770.34; cost of administration and documentation, \$843.66; with the net out-of-budget cost of \$4,742.

Mr. Koloski said it is nice to be offered this grant. Some communities around us had to take out loans to pay for this. Mayor Neilsen agreed.

**A motion was made by Mr. Koloski and seconded by Ms. Messier that WHEREAS the City of Claremont has received notice of the award of grant funds from the New Hampshire Department of Safety, Division of Homeland Security and Emergency Management (the "State") for the purchase of forty (40) Minitor V dual frequency pagers, the Claremont City Council hereby authorizes acceptance of the New Hampshire Emergency Management Performance Grant in the amount of \$13,247.00 from the State and further authorizes the City Manager or his designees to execute all documents and undertake all actions as may be required for the acceptance of this grant.**

**Roll call vote: motion carried 8-0.**

City-Owned Property Update

Nancy Merrill, Planning and Development Director, showed a map of City-owned property and talked about the different parcels and some of the limitations of their use.

Mr. Santagate said the Council controls city-owned properties (sale, acquisition and lease). The Council has the authority to put the properties up for sale and in his opinion, the sooner the better; get them on the tax rolls. Council needs to decide the criteria for the sale (i.e. a City-owned lot between two neighbors and both want it; and how a property is to be used versus price). The process is set by the Council. In reference to Cat Hole Road, do we develop it or leave it for conservation. He said Councilor Bergeron is on the City Center Committee and Mr. Bergeron wants to make sure that committee has input before the properties are sold. There may be survey expenses, but we have not budgeted for that. Some people may be using City-owned properties, but we won't know that until the properties are surveyed. His concern is if they are using the properties, the City may be liable. A title search on the deeds will be an expense. It is

up to the Council to decide the process. We would like to see properties put back on the tax rolls.

Mr. Neilsen asked for a list of parcels that may have a future City use. Ms. Merrill said we can prioritize the list. In 2011, four lots went with CVS; in 2010, two lots on Main Street went with Innovative Homes; 2009, five lots were utilized for the Mill Project. Some lots have unique issues.

Mr. Austin said the list is overwhelming. He suggested a committee make a short list and bring that back to the Council. Ms. Merrill said the City has not had a natural resources inventory done. The Cat Hole may be a future mitigation area for development.

Mr. Burnham said Cat Hole had two reservoirs that originally served the City and it should be put on the market. The upper reservoir is pretty steep. Access to it is very limited. He would like to see vacant City-owned property offered to the abutting property owner. Mr. Santagate said the question is do you notify all abutters or make a public notice that there is a sale.

Mr. Raymond asked where Stoddard Ledge Road is located. Ms. Taylor said it is a Class 6 road that was uncovered in 2004. It can be seen in aerials, but not on the ground.

Mr. Irish agreed with Mr. Austin for the need of a subcommittee. In reference to the natural resources inventory, he believed the Conservation Commission has money available to do it. Ms. Merrill said that would be very useful when reviewing these parcels.

Mr. Raymond said to fill in one acre of wetlands, the state requires 10 acres for mitigation.

Mr. Santagate asked if the Council wanted the City to establish a subcommittee.

Mr. Koloski said he would like to address properties that are liabilities (i.e. Claremont Conference Center and the former Pleasant Restaurant). He said there are a couple of lots on North Street that are being used by citizens.

Ms. Taylor said in researching parcels, some are unidentified. To sell or give it away, you have to establish title.

Mr. Koloski thinks that a committee is the way to go.

Mr. Neilsen said if a committee is established, minutes need to be kept.

Mr. Austin said he would like to see the list reduced.

Mr. Neilsen suggested the need to establish parameters. He asked the Council for goals/objectives and how to determine the value. Ms. Merrill said she is working to get a narrower list (taking off the properties that the City must maintain such as pump stations).

Ms. Messier asked to have department heads' input on the list.

Council agreed to table this item to the next meeting.

Bernie Folta, Ward 3, suggested adding to the list how a property is zoned and the assessed value. He suggested informally asking realtors for an assessment of marketability. Some lots have already attracted some interest (i.e. the Common Man biomass plant between Spring Street and the river).

**A motion was made by Mr. Raymond and seconded by Mr. Burnham to table this discussion to the next meeting.**

**Roll call vote: motion carried 8-0.**

#### Layoff Updates

Mr. Santagate talked about the layoffs:

Full time – 2001 = 130 employees

Full time – 2002 = 114 employees Loss of 16 full time employees (this does not count part time)

Full time – 2006 = 116 employees (+2 Fire)

Full time – 2007 = 118 employees (+1 Police, +1 Welfare)

Full time – 2008 = 119 employees (+1 Dispatch)

Full time – 2009 = 114 employees (-1 Planning, -1 GCC, -2 DPW)

Full time – 2010 = 115 employees (+1 Police)

Full time – 2011 = 108 employees (-2 Finance, -1 Parks, -1 Planning, 1 eliminated in Fire, 1 frozen in DPW, 1 funded by grant in Police)

Even in good years we did not grow the government. To go from 130 to 108 employees is a 20% decrease. Reductions have been painful. The average tax increase in a 5-year period has been about ½ of a %. During that time of level funding, we had added expenses from the state. This hurts the services we are trying to provide. He thanked the departments for getting the job done. He sees a negative effect on City services. The Library is closed on Wednesdays as that is the quietest day of the week and the staff is able to be there on Saturday. In the Collections area when peaks hit, he sees the back up. Planning and Development will get busy in the spring. They have had a 25% reduction in staff over the last couple of years. Public Works has not been tested with snow events this year, although they have been dealing with ice events (salting and sanding). We are doing okay, but the biggest risk is safety areas. We have seen a recent report that crime is up in the Claremont area; it may not be related to staffing, but staffing in that area would help. We are trying to be certified by CALEA in the Police Department, but that may require upping staff. For Fire, a 4-man shift is the national standard on an engine, but there are times when we go out with less than that. We try to balance staff and budget. The only reasonable way to add people is to appropriate and charge it to the tax rate. We will continue to do the best we can because we have great staff, but during peak seasons, we are not staffed up to that level.

Mr. Koloski asked what Public Works position was frozen; was the Public Works position saved based on the shuffling of funds; was the Library position saved or is an opening still there based on retirement; which Parks and Recreation position was gone; he asked about our ability to handle things in-house with the loss of an IT person. Mr. Santagate said the Public Works position can't be sustained, so we don't want to hire someone to fill Jim Hanson's position. The Library is still an issue. It was balanced with \$25,000 from Parks and books were cut for one year; that is not sustainable. Mr. Santagate talked to Mike Grace, Librarian, that we might need to solve that problem before next year. Mr. Koloski asked if there was a layoff at the Library. Mr. Santagate said no. It was the City's proposal to layoff a person, but the Council made a different decision. Ms. Walter said they did not layoff a full time staff, but a part time person retired. Mr. Santagate said one Parks and Recreation person was laid off. It is an issue we will deal with it how we can. We will bring someone in when we need to.

Mr. Irish said in reference to the IT position and the help that Ms. Walter had asked for, he will not get paid for that help. Mr. Irish said that we need to utilize the technologies of the new phone system to get savings and efficiencies, but you cannot do it without staff to sustain the system. He believes savings will offset the cost of bringing a person back before bringing the system in. Ms. Walter said we may bring someone in for the deployment of upgrades. Chris Burgess has been trained in Cisco and will be the lead person on it.

Mr. Santagate thinks Mr. Irish is right. We have been struggling for years about where to put the resources.

Ms. Walter said the fifth position that was eliminated was the grant administrator/legal person. State loss for retirement falls to the employer and starting in July 2013 it will go up 21% to 27%. Mr. Santagate said in reference to health insurance and retirement, we have 81 retirees. Mr. Santagate said before we do any rehiring, we need to review our priorities.

Mr. Irish reiterated the importance of putting IT in place before the new systems come in. Bringing an IT person back will create enough savings to pay for itself.

Mr. Koloski said he is not looking to add to the tax rate, he is trying to see where we stand.

Mr. Burnham asked who is responsible to take care of the Washington Street problem. Mr. Santagate said it was referred to the Traffic Advisory Committee (Public Works Director Bruce Temple, Police Chief Alex Scott, Fire Chief Rick Bergeron and Mr. Santagate sit on the committee). Mr. Santagate said originally the sign was scrolling, but it has stopped. A small car that is parked on the corner is okay for vision, but sometimes there are high profile vehicles parked on the corner. Mayor Neilsen said we know they have been putting high vehicles there, but if the site plan is not being followed, he asked why we aren't dealing with it. Mr. Neilsen said when he was sitting on the Planning Board and the issue of not honoring the red line came up, he made the suggestion to have Public Works put in cement barriers to prevent parking in the wrong area. Mr. Santagate said that is a good idea. It is something we can do. It is up to the Police Department to enforce the site line. Mr. Santagate will talk to Chief Scott about it.

Bernie Folta, Ward 3, echoed Mr. Irish's comments about smarter government. Appropriate application of technology can make government more efficient and public employees more productive.

### **CITY MANAGER'S REPORT**

Mr. Santagate said on Saturday, 8 a.m., Tractor Supply Company would have a ribbon cutting to celebrate its opening. Drapers Corner will go out to bid within the next 4-5 weeks. The New Community Center is moving along, depending on the weather. Next month Public Works will have plans for the \$1.1 million bond for streets.

### **FUTURE AGENDA ITEMS AND DIRECTIVES**

Mr. Burnham said it was brought to his attention that the sidewalk on Broad Street from City Hall to Marion Phillips Apartments has had ice problems.

Mr. Irish asked for a Washington Street update on the next agenda and to notify Rusty Fowler. He also asked for, starting in March under Old Business, a New Community Center update every month.

Mr. Koloski echoed the request for a Washington Street update. He lives in that neighborhood. He has brought forward his neighbors' complaints about the traffic relative to Dunkin' Donuts and Moody Avenue. For disclosure, he stated he owns all the land behind Arrowhead Motors; he is an abutter.

Mr. Neilsen read a letter to the citizens of Claremont. He talked about the city audits, specifically the 2010 audit.

"Dear Citizens of Claremont,  
Over a year ago this city voted on whether or not to approve the building of a new high school. That vote failed for the lack of one vote.

Recently, the city council voted in favor of a \$5.5 million bond to build the new community center. Another bond vote was passed for some paving projects, \$1 million of which still need to be determined. Many citizens didn't feel that enough discussion was had on the subject.

We are a city divided. My hope is to bring unity through transparency. I will try my best to be open and available for your input and to control taxes and spending as much as I can. With that goal in mind, I would ask for your prayers and support as the city council deals with some tough financial situations that will require some equally tough decisions.

I am not finding fault with any prior city council or the city manager. I just want to deal with the financial mess that we have before us as prudently as possible.

I went back and looked at 3 years of audits that are available on the city's web site and have several questions based in part on those audits.

“Audits

- 1) 2008 Management letter - items were addressed
- 2) 2009 Management letter - have the following items been addressed?
  - a) Gross-up accounting records
  - b) Improve controls over petty cash
  - c) Monitor Mill District TIF deficit
- 3) 2010 Management letter - Where is it?  
Page 2 of the audit letter states that the management letter was sent separately from the audit on September 28, 2011
- 4) Deficit balances totaled (\$633,314) on page 29 of the audit. The audit states that these deficits will be eliminated through future departmental revenues, bond proceeds and transfers from other funds. Are these accounts cleared up?

Unreserved Fund Balance (surplus), please do not confuse with the normal general fund balance (operations)

- 1) What is the current balance of the unreserved fund balance as of end of December 2011?
- 2) On pages 5,8,38, and 39 of the 2010 audit it states that the balance for the general fund on a GAAP basis was a deficit of \$(1,563,223). However, unreserved fund balance on a tax rate setting basis was \$720,786. (See note 18)
- 3) What obligations have yet to be paid from the unreserved fund balance?
- 4) What are the expected revenues not yet received?
- 5) Total long term debt for all funds equals \$27,269,338 (page 5 and 9 of the audit). This was at the end of 2010. It does not include what was just passed by the city council in 2011.

TIF Districts

- 1) The city has been borrowing about \$300,000 a year for the last couple of years from the River Road TIF to shore up the finances of the Downtown TIF.  
What does the city plan to do when the River Road TIF expires?  
Where is that money going to come from to support the Downtown TIF?
- 2) The River Road TIF also has marketing money budgeted of \$40,000 and staffing money of \$82,000, from the general fund.  
What position and what marketing has been done that warrants this expense and what will happen when the TIF expires?  
Will staffing be cut?
- 3) The Downtown TIF has almost \$8,000,000 in improvements that need to be paid. The city already is borrowing \$300,000 a year along with whatever revenue the TIF is producing. A couple of large properties have filed for tax abatements and could possibly have their tax assessments reduced. If the city has to reduce those assessments how does the city plan to cover the cost of operating this TIF district without having to take out another bond?

Cash and Short Term Investments

On page 29 and 30 of audit, RSA 48:16

CDA

- 1) Three years ago the CDA took out a 3-year interest-only loan of \$160,000 to put in a new boiler at the Farwell building. Just recently they renewed that loan for another 3 years with another interest-only loan.  
I would like the council to receive month financial reports from the CDA.  
The CDA has a loan portfolio, how is it doing?  
I would like quarterly reports on the loan portfolio status.

"2) The CDA does not need the city's permission to make purchases or sell assets but if the CDA goes under financially the city (tax payer) is on the hook, so we should be monitoring their financial condition.

3) I would like an up-date on the Brown Block. Are its loan payments current and are the taxes to the city current?

#### Community Center Funding

1) When the bond was passed for funding the community center the city's bond rating was A1. It has since been dropped to A2 by Moody's credit rating (page 9 of the audit).

2) What effect will that have on the bond rate that we can get and how will that rate change the projected cost of the bond? This bond was supposed to be paid through the surplus fund balance for two years which mayor may not have adequate funds to cover the cost.

#### Review of the Manager's Salary and Benefit Package

1) I would like a copy of the original management contract.

2) I would like a history of rate increases given and on what dates.

3) I would like a copy of the 2008 minutes when the city council established a retirement plan and voted to make contributions to that plan.

4) I would like to know what other benefits are provided and their annual cost.

#### Bond Passed for \$1 Million in Paving Projects

Please provide a list of projects to be done along with their cost.

#### Citizen Requests for Information

1) Are "Right To Know" requests being honored in a timely manner?

2) How does a citizen find out what is happening with the community center project? Even though it is a nonprofit organization, taxpayer funds are being used to construct the building and pay for at least part of the annual operational costs.

3) On the city's web site it states that Guy Santagate is a Doctor of Law. Mr. Santagate, if you received an honorary degree then it should be disclosed as such.

The term "Doctor of Law" refers to the degree of Juris Doctor (JD), which in the U.S. is the only first professional law degree, and to the S.J.D. (Scientiae Juridicae Doctor or J.S.D., the degree name in English or Doctor of Juridical Science). The S.J.D. is the research doctorate in law, and as such it is generally accepted as comparable to the more commonly awarded research doctorate, the Ph.D. The S.J.D. is described as the "highest degree in law" by the University of Virginia, the "terminal degree in law" by Indiana University and Harvard Law School, and as the "most advanced law degree" by Yale Law School Georgetown Law, New York University and Stanford University. The National Association of Legal Professionals states that the J.S.D./S.J.D. is "typically the most advanced (or terminal) law degree that would follow the earning of the LL.M. and J.D. degrees." However, while the degree may be the highest *research doctorate* in law, the J.D. is also a doctorate (the highest *professional doctorate* in law), as evidenced by universities' description of the S.J.D. as a "postdoctoral degree." The American Bar Association has issued a Council Statement stating that the J.D. be considered as being equivalent to the Ph.D. for educational employment purposes. The S.J.D. typically requires three to five years to complete, and requires an advanced study in law as a scientific discipline and a dissertation, which serves as an original contribution to the scholarly field of law. Notable recipients of the degree of Doctor of Juridical Science include: Harvey L. Strelzin (New York U., 1906); Charles Hamilton Houston (Harvard, 1923); Lowell Turrentine (Harvard, 1929); Judge William Henry Hastie (Harvard, 1932); Justice Bernard Jefferson (Harvard, 1934); Pauli Murray (Yale, 1965); Ma Ying-jeou (Harvard, 1981) and Ayala Procaccia (University of Pennsylvania, 1972)."

Mr. Santagate said that Levi Sanders had asked about his doctorate. Mr. Santagate pointed out that Boston University presented him with an Honorary Doctors of Law, *honoris causa*, in front of 25,000 people.

Mr. Santagate pointed out the words “financial mess” in Mr. Neilsen’s letter and he said he didn’t like it. Mayor Neilsen said the TIF is a concern of his. Mr. Santagate said he doesn’t want the community to think there is a problem.

Mr. Burnham said this should not have been read in public like this. He asked that it not be done like this in the future.

Mr. Irish said he doesn’t agree with a lot that was said, but Mayor Neilsen presented it as it should have been, in public.

Mr. Koloski agreed with Mr. Irish. The mode of delivery was not proper, mixing in the statements with the questions.

Mr. Raymond said this was supposed to be questions, not statements and there were too many statements in this.

## **COMMITTEE REPORTS**

### Claremont 250<sup>th</sup> Anniversary Committee

None

### Claremont City Center Project – Steering Committee Report

None

## **CONSULTATION WITH LEGAL COUNSEL**

None

## **ADJOURNMENT**

**At 9:49 p.m., a motion was made by Mr. Burnham and seconded by Mr. Raymond to adjourn.**

**Roll call vote: motion carried 8-0.**

Respectfully Submitted,

Dorée M. Russell  
Clerk to the Council