

The Claremont City Council held a meeting on Wednesday, May 9, 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 I Councilor Victor Bergeron
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

Also present were:

Guy Santagate, City Manager
Jane Taylor, City Solicitor

MAYOR'S NOTES

Stevens High School Student Council Update

None

Mayor Neilsen read a proclamation for Stevens High School Alumni Week, June 3rd.

Mr. Santagate mentioned the Local Government Center's 2012 Guidebook for Elected City Officials was handed out to the Council. He pointed out the picture on the cover is of Claremont's City Hall and it was taken by Dorée Russell, Clerk to the Council.

REPORT OF THE SECRETARY

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

Mr. Formidoni abstained as he was not at that meeting.

Voice Vote: Motion carried 8-0 with 1 abstain (Mr. Formidoni).

APPOINTMENT TO BOARDS AND COMMITTEES

Claremont Community Television, Inc. (CCTV) Board of Directors

Mr. Raymond nominated Nicholas Maynes for re-appointment to seat #2 of the Claremont Community Television, Inc. (CCTV) Board of Directors. Seconded by Mr. Koloski.

Voice vote: motion carried 9-0.

Claremont Housing Authority Commission

An application for the Claremont Housing Authority Commission was included in the packet, but it is a City Manager appointment, therefore no action was taken.

Fiske Free Library Board of Trustees

Ms. Messier nominated Kelly LeBlanc for appointment to seat #A-1 of the Fiske Free Library Board of Trustees. Seconded by Mr. Koloski.

Voice vote: motion carried 9-0.

Goodwin Community Center Commission

An application for the Goodwin Community Center Commission was included in the packet, but it is a Goodwin Community Center Board appointment, therefore no action was taken.

Parks and Recreation Commission

Mr. Raymond nominated Jim Feleen for re-appointment to seat #2 – Ward II of the Parks and Recreation Commission. Seconded by Ms. Messier.

Voice vote: motion carried 9-0.

Upper Valley-Lake Sunapee Regional Planning Commission

Mr. Raymond nominated Peter Guillette for appointment to seat #1 of the Upper Valley-Lake Sunapee Regional Planning Commission. Seconded by Mr. Bergeron.

Voice vote: motion carried 9-0.

OLD BUSINESS

New Community Center Update

Scott Hausler, Parks and Recreation Director, showed a PowerPoint presentation.

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- Project Update May 9, 2012
 - Concrete forms, footings and walls continue and are near complete
 - Pool contractor on site and laying out pool
 - Delivery of steel has begun and steel erection started
 - Plumbing, electrical and mechanical contractors are on site
 - Meeting with Warrenstreet Architects: sample color schemes will be presented
- Pictures were shown of footings, forms, start of the 8-lane pool, conduits for electrical and communications, start of the plumbing, steel trusses on site

Mr. Santagate said if Council is interested, a special meeting can be called to tour the site. Council can meet at City Hall and then adjourn to the site for inspection. Mayor Neilsen asked for a show of hands of Councilors that were interested. It was unanimous. Mr. Hausler will work with Hutter Construction to find a good time to do it. It is a hard hat location.

Mr. Austin asked how deep the pool will be. Mr. Hausler said it will be 12 feet and will have a one meter board.

Mr. Formidoni asked about the shape. Mr. Hausler said it will be rectangle. The other pool will be L-shaped and will be 2-4 feet deep.

Bernie Folta, Ward 3, wondered about the scheduled opening date, if rates have been set, the rate for senior and how many gallons of water the pool will hold. Mayor Neilsen asked Mr. Hausler to answer Mr. Folta's questions. Mr. Hausler said he is hopeful they will open late fall; the rates are still a work-in-progress; previous rates are still in place. Mr. Santagate said we will make that a part of the budgeting process which will begin in September.

Outdoor Pool – Public Hearing

Scott Hausler showed a PowerPoint presentation about the Outdoor Pool.

- Outdoor Pool at Veterans Park
- Last Month's Council Meeting We Covered
 - Water loss of 5.2 million gallons (51.5 gpm)
 - Electrical and chemical costs escalate due to water loss
 - Pool facility repairs are needed
 - \$90,000 operational cost for 8-week season
- Anticipated Expenses to Operate "As Is" in 2012
 - Total \$92,346.83
 - Revenue \$5,066.90
 - We typically serve about 30 families (out of 13,200 residents)
 - Cost recovery = the amount of revenue received for every tax dollar spent to service about 30 families \$0.05
- What We Will Cover Tonight
 - Aging gutter system

- Unfunded capital repairs on pool and facility
- NH DES
- Recommendations of what we should do
- Aging Gutter System
 - Welds are pitted, weakened and worn giving water an escape route under pump pressure
 - Holes appear in several gutter sections the size of quarters
 - Filtration system is 33.75 years old (September 1978 renovation)
 - Prior to the summer season of 2003, there was not an automated chemical control system at this facility (accelerating the demise of this facility)
- Showed picture of one-inch hole in one section of the gutter
 - There are similar holes throughout the system
- Unfunded Capital Repairs on Pool and Facility
- Unfunded Capital Repairs on Outdoor Pool
 - Total \$864,988
 - Some items may be able to be combined to save money
- Aquatic Development Group, Inc. Proposal
 - Done in 2010
 - \$600,000 for restoration of the pool, gutter, deck and filtration system
- What Does the NH DES Regulate? Preventative Guidelines
 - Maintaining their minimum standards to prevent public health outbreaks is a risky adventure with 5.2 million gallons of make-up water
 - The hydraulic design of the pool is dependent upon a static volume of water that has to circulate three times a day through the pool filter
 - 5.2 million gallons is 19.4 times the pool volume; this much water is equivalent to filling and draining our outdoor pool twice a week for ten weeks
 - An insurmountable task to prevent water-borne illnesses that is only getting worse every year. Current conditions make it risky.
 - The potential outbreak of water-borne diseases that cause wide spread illnesses to the public community has become a liability
 - A few examples: Giardia, Cryptosporidiosis, E coli, Diarrhea, Abdominal Cramping
 - Adding so much water, it is difficult to maintain chemical balances
- What Should We Do
 - Not only is opening the outdoor pool a risk to public health, we also do not see it as a cost effective option when trying to conserve financial and natural resources
 - Closing the outdoor pool and planning for a future outdoor spray pad is a logical and cost-effective option
- Renovation of Existing Facility is Not a Cost-Effective Option
 - Cost to rehab is more than developing a plan for a new outdoor water feature
 - Only replacing the gutter system and doing nothing else is \$255,000
- Installation of an Outdoor Spray Pad is an Option
 - Cost: \$150,000 to \$250,000 for one location or ½ cost for two
 - Users: All ages and abilities given an aquatic experience

- Unlike swimming pools
 - These wet play areas have no depth to the water making the use perfect for anyone who wants to enjoy cool wet fun
 - Some jets pop out of the water, twirl, have different intervals and can be switched out seasonally
 - Doesn't require a lot of staff to maintain and are very popular
- Benefits of an Outdoor Spray Pad
 - Many positive impacts
 - Conserve natural resources as they use less water
 - Serves a wider population, including those with physical limitations
 - Complete automated system can be constructed for a portion of an in-ground commercial pool
 - Operational costs of a durable spray park require less maintenance and need for operational staff
 - Cost recover is higher
 - Unique play value for ages 2 through adult
 - Longer seasonal usage than a commercial pool
 - Can be open longer using less resources
 - Showed Example of Raindrop Spray Pad

Mr. Formidoni asked about the Tiger Sharks swim team use of the pool. Mr. Hausler said they swim year-round and use both the indoor and outdoor pools. Mr. Hausler said upgrades have been made to the indoor pool and he is confident they will be able to use it. Mr. Formidoni asked if there are other area towns that have an outdoor pool. Mr. Hausler said Lebanon, Hanover and Charlestown have them. Mr. Hausler said they have talked about possibilities of using other facilities in the area.

Mr. Austin asked, in reference to a spray pad, how soon one could be constructed, the cost and location. Mr. Hausler said for \$150,000 to \$250,000 we could do a nice feature; they haven't made a decision about location and if it were fully funded, it would take several months to construct.

Mr. Koloski asked about the operating budget for the outdoor pool. Mr. Hausler said with the cost of the water, it would be \$92,000 which is more than allocated for that line item.

Mr. Santagate said the capital cost for a spray pad is a one-time expenditure (\$150,000 to \$250,000). The operating cost for the pool occurs every year and at \$92,000 a year, that would be almost \$1 million in 10 years. We could come back with an opinion on the location of a spray pad and whether or not it should be one or two pads. Closing the outdoor pool is not a lot of fun. Last year it was a major problem and employees were working on weekends, etc. to keep it going. It doesn't make sense to put more money into the outdoor pool. By replacing it with some kind of water facility, the financial impact will be much less and there will be less of a health risk than we have now.

Mayor Neilsen likes the concept of two separate sites. It will be helpful to know the cost of shutting down the outdoor pool. He asked about the future plans for that building.

Mr. Hausler said \$600,000 was for the pool. The remaining \$200,000 would be for renovation of the structure. If we “pull the trigger on this,” we would not recommend renovating the building; it is the kind of structure that is meant to be in the southern part of the country. In reference to the chemicals, they have used 200 bags of calcium chloride versus what they would normally use which is 8 bags to balance the chemicals.

Mr. Bergeron asked if the indoor pool would be open longer. Mr. Hausler said yes they would increase the hours for open swim time. Some of the \$92,000 would be used for lifeguards.

A motion was made by Mr. Bergeron and seconded by Mr. Irish to authorize the City Manager and staff to close the outdoor pool and to provide back to the Council how much it would cost to remove the structure.

Mr. Koloski asked if any Councilors had gotten feedback since the last meeting. He has not received any negative feedback. On the motion, he said he will vote no because he does not want the demolition to be a part of this motion.

Mr. Irish said the City will have to gut the site. He doesn't want us to go with an aquatic site because of weather, staffing and a limited season. The parks are very busy. He suggested leveling the pool area and putting in a T-ball field.

Mr. Burnham said we have to remove the pool because it is antique and substandard.

Ms. Messier said she was saddened about the pool. She sees this as being three parts. The first part is to close it (do not open the pool this year). She will vote no on the motion as she agrees with Mr. Koloski. The second part is to close the facility (leave it to the professionals to tell us how to do that). The third part is what to do with the site. Mr. Koloski agreed.

Mr. Formidoni asked if Mr. Bergeron wanted to amend his motion. Mr. Bergeron said no; part of closing it is the demolition.

Mr. Irish said he thinks we need to do something with it.

Mayor Neilsen said this motion is just asking for the cost of the demolition. We need public input for the best use.

Mr. Raymond agreed with Ms. Messier, but he also agreed with Mr. Bergeron that we need to close it and then find out the cost for demolition.

Mayor Neilsen opened the public hearing. No one spoke. He closed it.

Ms. Messier asked in reference to the motion what will happen to the facility. She said she would like to hear from a professional about how they want to physically close it.

Roll call vote: motion carried 7-2 with Mr. Koloski and Ms. Messier voting no.

CITIZEN'S FORUM

Bernie Folta, Ward 3, said at the last Council meeting he talked about Regional Connecticut River Joint Commissions and that Claremont no longer has a representative. He said another regional river group, Connecticut River Byway Council, is starting to get active again. It is a program of the Federal Highway Administration. It is tourist oriented. Claremont is a waypoint community on the Connecticut River Byway Council. Claremont has a presence through the Planning office, Katrina Spaulding. He said the group is planning activities.

Steve Raymond, Ward 1, talked about the paperwork he passed out last month in reference to East Green Mountain Road. He said he was hoping something will get done with the road.

Robin Wittemann, Leader of Claremont Jaguars, 4-H, said they meet at the Trinity Episcopal Church and that they are looking for property for the community garden. She talked about last year's 20 x 60 garden; weekly, they gave 20-30 lbs of food to the Soup Kitchen; they took food to the church; and took flowers to the County Home. They entered 80 varieties of flowers and vegetables in the Cornish Fair last year. She talked about using a piece of property on Sugar River Drive. She said that they would have liability insurance through 4-H. Some of the girls like to read, do needlepoint and gardening.

City-Owned Property

Scott Hausler, Parks and Recreation Director, said he has been working with Kit Hawkins of the Community Garden group to find a place to put the garden. Ms. Hawkins sent a letter to the Council in reference to the property on Sugar River Drive. Mr. Hausler said Parks and Recreation will help with this. Some details need to be worked out. He requested that if the space that has been identified is not suitable, that the Council allow City Staff to find a suitable location for this group. He said this is a great project and there is a need.

Christine "Kit" Hawkins, Ward 3, is a graduate of the master gardener program through University of NH. She is giving back to the community through this project. The garden was displaced as a result of the construction of the New Community Center. She thinks the area by the pump station on Sugar River Drive is a perfect spot for the garden. She said the Community Garden falls under the Farmers Market. The insurance has to be worked out.

Mr. Burnham said this is an ideal location. He talked about the farmer going through that area to get to his field.

A motion was made by Mr. Burnham and seconded by Mr. Irish to put the Community Garden on Sugar River Drive, lot 158-46. If that does not work, Council authorizes City Staff to work with the Community Garden to find a suitable location.

Ms. Taylor noted that because it is public property, there are some hurdles that must be cleared. The City will let them know when they can plant.

Roll call vote: motion carried 9-0.

Nancy Merrill, Planning and Development Director, said Council had received a letter from Eugene Lattuga requesting the City consider selling to him 1,025 square feet of the Sawtooth property that is along the border of his property on Main Street. If this is a proposal Council will entertain, he will come back after the survey is done with more specifics.

Mr. Koloski said he has no issue with the request. He said he has walked the area and his only concern is the drainage area that protects the retaining wall. According to the drawing provided by Mr. Lattuga, a porch is supposed to go in that area and he wanted to make sure it did not compromise the wall.

Mr. Irish said the proposed bakery is a great use of Mr. Lattuga's property

Mr. Raymond said he walked the property and agreed this would be a good use.

Ms. Messier had no objections.

Mr. Bergeron said this is all within what the Claremont City Center Project is discussing, revitalizing the downtown core of the city. This is the first step.

Ms. Taylor said a motion is not needed, just consensus of the Council. Mr. Lattuga will come back later with the specifics.

Mayor Neilsen asked for, and received, unanimous consensus of the Council.

Mr. Lattuga, Managing Member of New Branch Properties, said he has had issues before on projects with the City. He asked for a motion.

Mr. Burnham said if Council gave the go ahead, it should be good enough. Mayor Neilsen agreed.

Ms. Taylor said we don't have enough details to make a motion tonight.

Bernie Folta, Ward 3, talked about hurdles for the Community Gardens. He talked about changing City administration and City officials. He suggested Council make a motion to approve the concept of selling the piece of property. He is in sympathy of Mr. Lattuga's situation.

Mr. Koloski thinks a motion carries more weight.

Ms. Taylor said it unusual to negotiate property purchase in public with nine Councilors. She said it was suggested to Mr. Lattuga to have the line surveyed and the background work done before bringing this to Council, but he requested to come to the Council first and if there was a consensus this was a good idea, then they would finish up the detail work.

There was discussion about processes for selling or using other City properties.

A motion was made by Mr. Irish and seconded by Mr. Burnham that the Council supports the concept of the City pursuing the sale of a portion of lot 120-31 to New Branch Properties.
[Substitution made below]

Mr. Koloski said he would vote no because he had drafted his own motion.

Ms. Messier asked if Ms. Taylor has any legal objection to the motion. Ms. Taylor said no. Ms. Messier said she would like to hear what Mr. Koloski had to say.

Substituted motion by Mr. Koloski:

A motion was made by Mr. Irish and seconded by Mr. Burnham to authorize the City Manager or his designees to negotiate with New Branch Properties for an amount to be determined for the sale of a portion of lot 120-31.

Roll call vote: motion carried 9-0.

NEW BUSINESS

Naming Rights of the New Community Center and Proposed Logo

Mr. Bergeron said he appreciates what Claremont Savings Bank (CSB) has done, but he has questions about the process and who is authorized to name the New Community Center (NCC).

Mayor Neilsen said at first he wanted to discuss this under non-public, because he thought it was a decision made by the City Manager. However, the City provided Councilors documentation that this was done by the N3C (New Community Center for Claremont) board. He is appreciative for the support of CSB, but he is concerned about the process and will leave it to Council for discussion.

Mr. Irish agreed with Mr. Bergeron; he can't say enough for what CSB has done for the New Community Center. He gave a history of how this came about. In 2005 Council approved \$1 million challenge grant; in 2007 Claremont Savings Bank pledged \$3 million and in 2011 the Council made a commitment to bond \$5 million for the project. For a \$9 million project, the City is funding 65%. He has an issue calling it the Claremont Savings Bank Community Center

when the City is funding 65% of it. He said he did not find public discussion about calling it the Claremont Savings Bank Community Center. He questioned the authority to name this.

Mr. Bergeron agreed with Mr. Irish

Mayor Neilsen referenced a letter dated October 31, 2007, to N3C from CSB with restrictions on the donation including: The center would be named the Claremont Savings Bank Community Center. He talked about another letter (2/23/2011) from Sherwood Moody, President and CEO of CSB, where it talked about naming it Claremont Savings Bank Community Center. He questioned who would determine what a corporate donor is. He agreed without this donation the project would not be here.

Mr. Koloski said he is very grateful for the donation from CSB. He is concerned that the naming was not talked about in a public forum. Had he known about it, he might have voted differently. He said he had previously talked about naming the NCC after a citizen that has passed away. He is concerned that the CSB name might make people think it can only be used by CSB members. Also, CSB has a CSB Community Room which could be confusing. He requested the bank allow it to be dedicated to a citizen and it could be noted inside the facility that the donation and support for the facility is from the bank.

Mr. Raymond thanked CSB for the gracious donation. He assumed their name would be part of the donor wall and that the facility would be the Claremont Community Center. He suggested that maybe the pool could be named the Claremont Savings Bank pool. He was surprised to hear it would be called the Claremont Savings Bank Community Center. He thinks the donor wall is an appropriate place for the CSB name.

Mr. Santagate said he is surprised this is the first time Councilors are hearing this. It is unusual to get a \$3 million donation in a community this size and to get the perfect property. We are getting 32 cents on every dollar from a private donation. This has been a tough economic time and the fundraising dried up. The N3C board was created and they received the offer letter from CSB, which included naming it the Claremont Savings Bank Community Center. The City authorized the original \$1 million and he noted Mr. Irish was on the Council at that time. At some date soon after, the Community Center Project was turned over to the N3C board and not much information was coming from them. An offer came in to the volunteer board. CSB originally gave 12-18 months to do this, but they extended the time period. The City was not involved with the N3C. Mr. Santagate's understanding was that it would be named Claremont Savings Bank Community Center. It was printed in public paraphernalia. The City got involved in 2011 when it was determined the rest of the money couldn't be raised and we might lose the \$3 million. Recently he has heard that the City is the biggest donor, but the agreement talked about corporate donors and he did not interpret the City as being a corporate donor. When Mr. Moody asked a few months ago if the facility would be named the Claremont Savings Bank Community Center, Mr. Santagate told him yes. These questions have come up recently because the City has recently taken over, however, the donation was given years earlier. The N3C board was not a public body. He hates to see us look like we took the money and now we are backing out of the deal. He asked if we don't use the name, does the bank ask for the \$3 million back.

Mr. Koloski asked when Council approved the donation. Ms. Taylor said Council did not accept the donation, it went to N3C. In October 2011 Council voted to acquire the assets of N3C. Mr. Koloski asked when Council voted on the bond. September. He said in January that the CSB board was questioning the naming. He said CSB is owed the naming.

Mr. Austin said this is childish and a matter of principle rather than a benefit to the citizens. He thanked CSB for the donation and said that people will enjoy the facility and won't care whose name is on it. The community center is nonprofit and is not here to make money. He asked about the reason to put CSB's name on it. He said he is not against it being named the Claremont Savings Bank Community Center.

Mr. Bergeron disagreed. People have told him to not let it go through. He said the committee had no authority to do that. He thinks we can reach a compromise and name the pool after CSB.

Ms. Taylor clarified the City is a municipal corporation and is different than a regular corporation with different rules. The City doesn't make corporate donations. The N3C was not set up by the City. It was incorporated in October 3, 2005. Its purpose was to solicit and receive gifts, grants, etc. to carry out the purposes of this corporation. The City does have final authority in naming City buildings.

Mr. Santagate asked if Council votes to not name it the Claremont Savings Bank Community Center, do we return the \$3 million. That was his understanding from day one.

Mr. Koloski said that is not his purpose. He said he has no issue with it being named Claremont Savings Bank Community Center. He feels it is owed to them. This has to do with how we received this information.

Mr. Irish said Councilors represent the citizens. He would have liked to see the City Manager, CSB and Mayor to meet prior to this to come up with a compromise. He asked what CSB thinks.

Sherwood Moody, President of Claremont Savings Bank, and also representing the trustees, said this discussion in a public forum is embarrassing to them. The intent was to do good in the community. The bank has been around since 1907. They wanted to try to find a way to create economic value and to provide a recreational area for everyone (not customers of the bank) to enjoy. This was part of their 100th year celebration. If not for the partnership with the City and CSB, this would not have happened. It has been their interpretation from the beginning that it would be named Claremont Savings Bank Community Center. He said he did not have the authority to negotiate at the Council meeting.

A motion was made by Mr. Burnham and seconded by Mr. Austin to turn this back to the City Manager, Claremont Savings Bank and the Mayor for discussion and then to bring it back to the Council.

Bernie Folta, Ward 3, said he grabbed a flier (just inside City Hall's front door), "N3C Naming Rights Benefactor Program." Several areas of the Claremont Savings Bank Community Center are available for naming. He talked about N3C's background and its relationship to the City. A consultant was hired. He talked about N3C being a private nonprofit and is not subject to RSA 91-A. He talked about definitions and lack of transparency.

Steve Raymond, Ward 1, said the CSB name has never been brought up. He said he was against this because this was competing with the school. He doesn't think there was enough public input. He did thank CSB for what they did. He asked if this could be placed on hold and brought back to the taxpayers.

Ms. Messier said this was a public/private partnership. The public could not afford it. A \$3 million donation is amazing. She said that \$3 million is a huge part of this program and without the donation, the taxpayers could be paying 100% of it. She was a little embarrassed that this was brought up in public.

Mayor Neilsen wondered if it could be called Claremont Savings Bank Community Center and then under that put For the Betterment of the Citizens of Claremont

Mr. Formidoni said the structure would not be going up without CSB. He has no problem calling it Claremont Saving Bank Community Center.

Mr. Bergeron asked if it was legal for the committee to name it.

Mr. Irish said he was optimistic a resolution could be reached between the City Manager, CSB and the Mayor.

A motion was made by Ms. Messier and seconded by Mr. Austin to move the question.

Roll call vote to move the question: motion carried 9-0.

Roll call vote on the motion: motion carried 9-0.

Mr. Bergeron asked for a legal opinion if N3C had the legal authority to name the building. Mayor Neilsen asked Ms. Taylor to do that.

Sullivan County ATV Club Wheeled Vehicle Trail Permission

Mark Carrier, President of Sullivan County ATV Club (SCATVC), said the Club was asking for permission to ride on the City trails. This includes the trail by the New Community Center.

Ms. Taylor said the portion by the New Community Center might not be useable while it was under construction. Parks and Recreation Director Scott Hausler said the section of the trail from Chestnut Street to South Street, crossing South Street up Robert Easter Way up to Arrowhead would be usable and a portion was being relocated. He has been working with Public Works to

purchase signage for that part of the trail and the Robert Woodman section of the trail. From LaValley Building Supply to Chestnut Street and then from Chestnut Street to South Street will have appropriate signage.

Ms. Messier asked how many years SCATVC have been coming to the Council for trail permissions. Mr. Carrier said since 2004.

Mr. Raymond asked what date the trails would open. Mr. Carrier said the state and the City of Claremont have recognized May 23. Mr. Raymond asked about the Washington Street Rail Trail. Mr. Carrier said the state part (from the orange gate to Newport) is open 365 days a year. From the state gate on Washington Street to Arrowhead is City property. He has not seen enforcement for those that ride before the opening date.

A motion was made by Mr. Raymond and seconded by Mr. Austin that the Claremont City Council, pursuant to RSA 215-A:15, hereby authorizes the city manager, or his designees, to take such actions as may be necessary to issue a written Permission for Wheeled Vehicle Trail Access to the Sullivan County ATV Club for a period of one year from the expiration of the current Permission. This Permission is for use of designated City-owned land and class VI highways, which lists are to be included with the Permission Form and is subject to all City and state rules and regulations pertaining to use of ATVs and other off-highway recreational vehicles on public property. This Permission is granted subject to the following conditions:

- 1. Arrowhead Trails may be used only if Permission is also granted for use of property commonly known as the "Dunn Field" off Chestnut St.;**
- 2. The City may close one or more trails to ATV use for reasons including but not limited to trail conditions, maintenance and public safety.**

Mr. Koloski talked about a letter from the Conservation Commission asking the Council to close a portion of the trail from Broad Street to Pleasant Street. If the letter has not come forward yet, it will. He said the Conservation Commission has met with both groups and Parks and Recreation on that.

Ms. Taylor said that section of trail between Broad and Pleasant Streets is not included in this permission form.

Mr. Koloski asked about the state's liability insurance not covering that portion of the trail. Ms. Taylor said it is an enforcement issue.

Roll call vote: motion carried 9-0.

Motion to Apply for and Accept Aquatic Resource Mitigation Grant

Mr. Hausler said this is an Aquatic Resource Mitigation Grant through NH DES (Department of Environmental Services). This will include stream restoration, storm water management and

stream buffer protection with trail protection. The monies will allow the City to improve storm water treatment and help with water quality being diverted into the stream at Monadnock Park. Total project is estimated to be \$210,000. \$160,000 will come from the grant and \$50,000 will be in-kind from internal use of equipment and labor. A ditch dredge permit has already been obtained at the park. When the Lowes project was finalized, there was some ditching and dredging done in the parking lot to help get the storm water moving toward the Sugar River. This will help complete storm water management at the park.

A motion was made by Mr. Koloski and seconded by Mr. Bergeron that the Claremont City Council hereby approves the submission of an application for an Aquatic Resource Mitigation Fund Grant from the New Hampshire Department of Environmental Services in the amount of \$210,000.00 for improvements to stormwater management in and around Monadnock Park, authorizes acceptance of the Grant, if awarded, 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 9-0.

Proposed Council Rule Change Item 34, Conflict of Interest – Recusal

Mr. Irish said this was not about conflict of interest, but rather there is no Rule for a consistent process for Councilors to recuse themselves from an issue. It would be helpful to have this process in Council Rules. He said when there is a conflict, that Councilor should recuse themselves and then step down from the Council table and if it is during a non-public session, the Councilor should leave the meeting until the public is invited back in. He said this is what Local Government Center (LGC) recommended.

Mr. Koloski said he agreed to a point. He doesn't necessarily agree with this document. He would like to have City Attorney input. If Council feels a Councilor has a conflict, but the Councilor does not, Council can adjourn the meeting, but that would not accomplish anything.

Mr. Raymond said if Council agrees there is conflict, then that person should step down. Mr. Irish asked what the process for stepping down would be.

Ms. Messier said the Council can make stricter laws, but not less strict than the state.

Mayor Neilsen said that in the Code of Conduct, Councilors will elevate themselves beyond even perceived conflict of interest. If the majority of the Council feels there is a conflict, that should be enough to recuse oneself.

Mr. Irish agreed with Mayor Neilsen and he said this is not about conflict of interest; he just wants to have a process to recuse oneself.

Mr. Burnham said Councilors need to take it upon themselves to recuse when there is a conflict.

Mayor Neilsen said the second paragraph needs to state how the conflict will be determined (i.e. majority of the Council). He asked Mr. Irish to make that change and then resubmit it. Mr. Irish said he would take it out as he does not have an issue with it.

Mr. Bergeron said when the City Attorney tells someone they have a conflict, then the Council needs to have the authority to tell that person to leave. He said Council needs a legal opinion to find out if they can do that.

Mr. Irish agreed with Mr. Bergeron that if there is a conflict, Council has the right to ask that Councilor to leave. He just wants to know what the process is to recuse oneself.

Mr. Bergeron thinks the authority to ask a Councilor to leave should be a part of the process.

Mayor Neilsen asked Mr. Irish to redraft the Rule.

Ms. Taylor asked that the third paragraph, second line, instead of using the word “judging” to use “determining” or some other word.

Bernie Folta, Ward 3, said he is not a lawyer, but he thinks there is a problem with the Council determining a conflict of interest, because it disenfranchises an elected official. He said he doesn't think the Council has the authority to disenfranchise a Councilor.

Mr. Irish asked if any of the Councilors had a problem with him working with Mr. Bergeron on this. There were no objections.

Proposed Central Dispatch Center

Mayor Neilsen asked if there was an abutter's list to find out if there was a conflict.

Ms. Taylor explained the abutter list process. Generally it is the responsibility of the property owner to generate an abutters list. The City is the owner of the Armory. She gave Councilors a copy of the abutters list. She discussed with the Local Government Center whether easements give rise to abutter status and their attorney agreed that it does.

Mr. Irish recused himself as he is an abutter to this property. He stepped down from the Council table.

Police Chief Alex Scott said that Charlestown and Newport (two key communities) had expressed interest in being involved in a committee, but not the project. The impetus to move forward has stalled. County Commissioners are looking for a response to see who is interested in being involved in this committee. He said if a private buyer were to show interest in the armory, he thinks the City would have to consider a sale to the private party. Without Charlestown and Newport being on board, financially it makes this close to impossible to move forward.

Mr. Santagate said the 60-day period expires in 4-5 days. He asked if it would be okay to market the property. Chief Scott recommended Council vote to be a part of that committee. He is disappointed; he thought it was a great idea.

Mayor Neilsen said we can wait for the 60 days to expire and then the City Manager can market the property.

Mr. Koloski asked for a motion of support to be a part of the committee. Chief Scott said that would be the recommendation, but he said he would not recommend to extend the offer to hold the building.

Mr. Bergeron said this is long overdue in this county. We should be part of the committee going forward for research.

A motion was made by Mr. Koloski and seconded by Mr. Bergeron to authorize the City Manager and or his designee to enter into and sign the Certificate of Vote/Authority in support of the county's proposal, as stated in their correspondence dated April 25, 2012, to create a committee to explore the details and merits of the proposal to create an emergency operation center, and to appoint representatives to represent our municipality on the committee to be left to the discretion of the City Manager.

Bernie Folta, Ward 3, said he thinks this is a good idea; it makes regional sense. He said it is good for a community to maintain good relationships with neighboring communities. He suggested Claremont should start a movement of improving relationships with neighboring communities in case future collaborations come along.

Roll call vote: motion carried 8-0 with 1 abstain (Mr. Irish).

Mr. Bergeron recommended that the City Manager appoint someone from City government and from emergency services for a different perspective.

Mr. Irish returned to the Council table.

Joint Council/School Board Meeting

Mr. Santagate said this was brought up at a previous meeting, so he put it on the agenda to see if Council wanted to go forward with this.

Mr. Bergeron thinks this is something we should do; they have new leadership. It would be a good idea to set the agenda ahead of time. When, should be up to both boards.

Mayor Neilsen assumed this would be about the capital improvements projects; where we are headed and where the schools are headed.

Mr. Irish said Council and School Board last met in 2006 and it was discussed that each body should list its top 10 priorities.

Mayor Neilsen said 10 may be a little much, but he thought 5 from each group would be a good number.

Mr. Koloski asked if the Mayor would reach out to the Chair of School Board to invite this conversation. He suggested each group determine its availability and to come up with a list of 5 priorities. Mayor Neilsen said he will reach out to the School Board Chair. Mr. Irish asked him to include the City Manager and the School Superintendent.

Tax Incremental Finance District

Mary Walter, Finance Director, showed PowerPoint on Tax Incremental Finance District.

- Tax Incremental Finance District – A Review of the Plan
- What is a TIF
 - Tax incremental financing districts (TIF) provide ways for communities to promote tax base expansion by financing public improvement in certain areas. The money for public improvement does not come out of the City's general fund, but from the increased value of the real estate after improvements to the designated district. If the incremental increase in taxes falls short of the money borrowed and there is no potential growth to fund the ongoing costs, then the City would have to use alternative revenue sources to pay the debt service, one option being increased City taxes.
- And what does the City have for TIF's?
 - River Road TIFD
 - Established in 1995
 - Small bond \$600,000 taken out to do some upgrades and establish the base at just over \$11 million
 - Incremental growth of \$14.8 million over the years
 - Downtown TIFD
 - Established in 1998, modified in 2003 and again in 2006
 - Public/private partnership established with \$10 million bond to develop mill area
 - Incremental growth of almost \$22 million over the years
- Downtown TIFD
 - Tax Incremental Finance Districts are NOT without risk
 - But, risk analysis done in 2005/2006, based on developer plans and current bonding costs, showed that the cost benefit outweighed the risk
 - Given the plans as outlined, the City even determined that it would be worthwhile to put the additional floor on the parking garage
- So What Was the Risk
 - The developers could not invest the amount of money needed without the parking garage being opened by the City. Once the City bonded for the money to build

the parking garage, we had a limited time before bond payments would be due. If there were any glitches in the plans, there might not be enough “incremental” value to pay the bond payments.

- Did the City Have a Plan
 - Due to construction timing, the City knew there was a chance that we would not have the initial incremental value and had planned for that scenario. Cash flow analysis did project that we may be running in the red for a few years until the excess value came onto the TIFD tax rolls.
- Has Anything Changed
 - The “Great Recession” hit and crippled development
 - The Peterson building (which was going to house condo units) was put on indefinite hold which means that the current assessed value is about 90% less than it was calculated to be when our analysis was originally done
- How are We Making the Bond Payments
 - River Road TIFD has a surplus balance. The City has chosen to maintain this balance rather than pay off the River Road Bond, which is allowed
 - It is always a best practice to invest any excess funds where it will have a better return of interest
 - Over the years, the City has saved thousands of dollars by borrowing internally versus traditional Bank Notes
 - We do a short-term inter-fund loan to the Downtown TIFD, make the bond payment and then do a transfer back to the River Road TIFD and pay it back with interest at ½% above prime which is better than the River Road TIFD could make in just about any traditional interest-bearing account
- How Long Will This Continue
 - We did a worst-case scenario when developing our plan and calculated that, with minimum growth in the TIFD and minimum growth in the tax rate, we could go 6 years total (3 more years)
- Ongoing Considerations
 - 3rd building does not get completed
 - No growth in the TOTAL Downtown TIFD
 - Economy’s slow growth and the continued impact on sliding property values
- Council Options for 2015
 - We could extend the River Road TIFD if it was warranted and continue the short-term borrowing to bridge the gap in the Downtown TIFD
 - We could close out the River Road TIFD at which point the excess ad valorem value would be added to the grand list and the surplus could be used to take care of the shortfall in the Downtown TIFD
 - We could add the shortfall to the tax rate

Mayor Neilsen said a citizen had sent him a letter, which was not sent to the other Councilors, asking him to read it into the record. He asked Councilors their opinions

Mr. Burnham suggested the individual send it to all nine Councilors.

Mr. Irish said nothing that is anonymous is brought to the Council. He said he is not a lobbyist for any one individual.

Mr. Raymond said if a person cannot make it to a meeting, they should send it to more than one Councilor and then it should be read into the record.

Mr. Koloski said he didn't agree that a citizen would have to mail a letter to all nine Councilors. If an individual has concerns, and notifies him, he directs them to the proper City department.

Mr. Formidoni asked if the letter was in hardcopy or email. Mayor Neilsen said email. Mr. Formidoni said it could have easily been sent to all Councilors.

Mr. Bergeron said that people have the right to send a letter to individual Councilors and if Mayor Neilsen so chooses, he can disseminate it to the rest of the Council. Citizens have the right to send private letters to any of the Councilors.

Mayor Neilsen said if it is germane, he will forward copies to the rest of the Council.

Councilors appreciated the slide show.

Mayor Neilsen referenced a May 1, 2006, document when they made the amendment to the TIFD. The allocation of TIFD revenue would be: 1) payment of proposed debt service on the proposed bond, and 2) \$82,000 to support marketing and project development activities that benefit the TIFD program. If there is surplus revenue it will be allocated: 1) payment of incremental and operational costs associated with the public facilities to be constructed, and 2) make unscheduled principal payments or return unused portion of the captured asset value to the tax list. He talked about state statute 162-K, September 13, 2006, minutes, January 10, 2007, Council minutes and about getting information from State Representative Paul LaCasse that he had legislative staff research on this issue. Mayor Neilsen said this is borrowed money and it will need to be paid back. The school and county, at some point, will have to receive their portions of the amount raised. He said we have borrowed about \$1.5 million and at the end of next year it will be \$2.1 million.

Ms. Walter said the Downtown TIFD owes \$659,000, so she is not sure where Mayor Neilsen got the \$1.5 million. The River Road TIFD has all of its funding. The Downtown TIFD is not taking it; we are using the money on a short-term basis. The River Road TIFD has a surplus and the Downtown TIFD has a deficit. There was a discussion about putting the excess from the River Road Road TIFD onto the grand list. Ms. Walter said it doesn't have to. The City can hold it in case we need to put money toward development until the bond is paid. There may come a point where Council has to decide what to do about the Downtown TIFD.

Mr. Raymond asked if Syd Clarke Park is part of the River Road TIFD. Ms. Walter said yes.

Mr. Santagate asked who are the experts that Rep. Paul LaCasse got the information from as Mr. Santagate wouldn't mind talking to them. Mr. Santagate said if you want to leave that on the

general fund, don't create the TIFD. The purpose is to allow for investment in the district for future growth. He referenced the Lebanon Airport that has been running at a deficit for years. It goes on everywhere. Borrowing made sense for Claremont TIFDs versus raising the tax rate. TIFDS are used for economic development. He talked about adding the third floor to the parking garage even though it was not needed just yet. The second issue was that the City was required to save the Sawtooth building at a cost of about \$1.5 million. The nature of a TIFD is a risk. The Downtown TIFD is a good investment. We got an opinion from Attorney Matt Upton about borrowing from one TIFD for the other and he said yes. Ms. Walter asked for a clarification of what this issue was.

Mr. Irish said the issue of borrowing from one for the other is a gray area and as long as everything is paid back and kept within the TIFD structure, it is fine. He would like to put this issue to bed.

Ms. Walter said if the River Road TIFD is closed and the ad valorem value was put back on, it would reduce the tax rate by 17.5 cents.

Bernie Folta, Ward 3, referenced Mr. Santagate talking about borrowing from one TIFD to another. He said he would like to see the opinion that Mr. Upton made about this. He asked if borrowing from one to the other is on solid ground. He talked about process and that there should be documentation. He talked about accounting versus cash flow.

CITY MANAGER'S REPORT

Mr. Santagate said anytime Council wants to discontinue borrowing, we can do that.

Mr. Santagate read a letter from NH DOT (Department of Transportation) proposing to assess street lighting and discontinue all lighting not needed for driver safety on state highways. This would be to save the state \$650,000. Some of the costs that were borne by the state could be downshifted to the cities and towns.

Mr. Santagate said we are cooperating with the schools; he has been meeting with the Superintendent; he is serving on a committee established by the schools to look at the objectives of Stevens High School. He is glad to participate with a Superintendent that is serious about straightening things out.

He attended two meetings related to the dispatch center. What was missing was the overall budget and how we all have to cooperate with each other to save money. He'll be happy to serve on that committee and to pick the people to serve.

FUTURE AGENDA ITEMS AND DIRECTIVES

Mr. Irish said in reference to the naming issue that the N3C flyer should be removed from the rack. He wants to discuss the process for naming other parts of the New Community Center (i.e. pool).

Mr. Austin said he lives on Prospect Street; there are a lot of little kids on the street. It is a One-Way street, but vehicles travel both ways. There are No Parking signs on one side of the street and they are ignored. He said it is an enforcement issue.

Mr. Burnham said in reference to parking issues, on Easter Way, if cars were parked where they were not supposed to be, he would call the Police Department.

Mr. Raymond said that downtown merchants had come to him about returning trash receptacles to the downtown area. He asked if some of the money generated from parking tickets given in the downtown area could be given to the business members for trash receptacles in that area.

Mr. Koloski said he wants a copy of the tax collection policy. Ms. Taylor said we follow state law. Mayor Neilsen said at some point Staff will bring forward to the Council a list of properties that are in arrears. Mr. Koloski said his request was due to a reference made by Mr. Burnham about another community that was not following up, but when the process was followed, they were able to bring in more tax revenue. Mr. Santagate said we can take a look at back taxes and whether we are taking the liens when the statute allows.

Mr. Koloski asked if more things (i.e. City vehicles) could have the City's web site posted on them.

Mr. Koloski asked about the plan for what to do with the current community center, pool and gymnasium.

Mr. Koloski said in the parking garage that almost all the lights are burned out. He asked about the electric bill for those lights. He said he was told there are some City signs that have been ditched behind the parking garage. Also, students are sitting in the stairwell and the door is propped open with bricks.

Mr. Bergeron asked to have the old Merrimack Feed building looked at (as you turn to go into LaValley's). He said the cupola is hazardous. Mr. Burnham asked to have City staff look into it. Mayor Neilsen thinks it might be 149 Pleasant Street.

Ms. Messier echoed Mr. Raymond's comments about trash receptacles in the downtown. She has also heard from people wanting them. Mr. Santagate said the state has no trash receptacles on the beach and he asked why that is.

Mr. Koloski said the City took the receptacles out of Broad Street Park. The receptacles that are on Pleasant Street are old and people drag them out to the middle of the street. He said the City needs to give the merchants something. He said there is nothing appealing to look at; he referenced other communities that have painted murals, etc.; he said that most of the stores are now occupied.

Ms. Messier asked about bonding paving. Mayor Neilsen said he had talked with Mr. Santagate, Mary Walter and Bruce Temple; whatever amount is bonded has to be spent within a two-year period. Mr. Temple has asked to get his department back to \$750,000 annually for paving so that he could accomplish what he needs to.

COMMITTEE REPORTS

Claremont 250th Anniversary Committee

None

Claremont City Center Project – Steering Committee Report

Mr. Bergeron said at the end of the month they hope to pick a zoning coordinator. They have had the last focus group meeting.

CONSULTATION WITH LEGAL COUNSEL

None

NON-PUBLIC SESSION PURSUANT TO RSA 91-A:3 II(d) – REAL ESTATE

Withdrawn

NON-PUBLIC SESSION, RSA 91-A:3,II(a) – PERSONNEL

Withdrawn

ADJOURNMENT

At 11:30 p.m., a motion was made by Mr. Koloski and seconded by Ms. Messier to adjourn.

Voice vote: motion carried 9-0.

Respectfully Submitted,

Dorée M. Russell
Clerk to the Council