

The Claremont City Council held a meeting on Wednesday, March 9, 2016, in the Council Chambers of City Hall.

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

Members of the Council present were:

Ward I Councilor Carolyn Towle  
Ward II Councilor Scott Pope  
At-Large Councilor Keith Raymond  
Assistant Mayor Victor Bergeron  
Mayor Charlene Lovett  
At-Large Councilor Allen Damren  
At-Large Councilor Bruce Temple  
At-Large Councilor John Simonds

Absent:

Ward III Councilor Nicholas Koloski

Also present were:

Guy Santagate, City Manager  
Jane Taylor, City Solicitor

### **MAYOR'S NOTES**

Mayor Lovett read a proclamation naming March 2016 as General Aviation Appreciation Month.

Mayor Lovett said there was a non-meeting prior to this Council meeting to discuss collective bargaining.

Mayor Lovett said earlier today Congresswoman Kuster held a press conference at the Claremont Savings Bank Community Center (CSBCC) regarding legislation she introduced for a preclearance facility on the Amtrak line for passenger service to Montreal.

Mayor Lovett thanked the public for going out for the school vote.

Ms. Towle thanked the Planning and Development Department for the well done Master Plan Forum last Thursday.

Mayor Lovett said the Amtrak rolling museum will be in Claremont on June 18<sup>th</sup>. She said it is the first time it will be in NH. Mr. Raymond suggested tying this in with the 100-year anniversary celebration of Moody Park.

## **REPORT OF THE SECRETARY**

**A motion was made by Mr. Bergeron and seconded by Mr. Damren to accept the minutes of the February 10, 2016, City Council meeting as amended.**

Mayor Lovett said on page 3, 4<sup>th</sup> paragraph from the bottom, to add “since the letter was not in the packet.”

Mayor Lovett said on page 12 to delete the last sentence from the 6<sup>th</sup> paragraph from the bottom, “Item 1 and 2 are the top priorities.” She said that is incorrect.

**Voice vote: motion carried 8-0.**

**A motion was made by Mr. Simonds and seconded by Ms. Towle to accept the minutes of the February 24, 2016, City Council meeting as amended.**

Mayor Lovett said on page 3, Bill Silverman should be Bill Silverstein.

Mayor Lovett said Mr. Koloski asked her to bring forward this change. On the bottom of page 9, 2<sup>nd</sup> paragraph from the bottom he also wanted to add, “The state film office is able to list businesses free of charge.”

**Voice vote: motion carried 7-0, 1 abstain (Mr. Raymond was not at the meeting).**

## **APPOINTMENT TO BOARDS AND COMMITTEES**

### Historic District Commission

**A motion was made by Mr. Raymond and seconded by Mr. Simonds to reappoint David Messier to seat #4 of the Historic District Commission.**

**Voice vote: motion carried 8-0.**

### Zoning Board of Adjustment

**A motion was made by Mr. Pope and seconded by Mr. Damren to reappoint Michael Hurd to seat #2 of the Zoning Board of Adjustment.**

**Voice vote: motion carried 8-0.**

**A motion was made by Mr. Simonds and seconded by Mr. Damren to reappoint James Petrin to seat #3 of the Zoning Board of Adjustment.**

**Voice vote: motion carried 8-0.**

Policy Committee

**A motion was made by Mr. Damren and seconded by Ms. Towle to appoint Alan Spahr to seat #4 of the Policy Committee.**

**Voice vote: motion carried 8-0.**

**A motion was made by Mr. Raymond and seconded by Mr. Pope to appoint Abigail Carman to seat #5 of the Policy Committee.**

**Voice vote: motion carried 8-0.**

Mr. Bergeron said the Policy Committee will meet the third Thursday of each month.

**CITIZEN'S FORUM**

Dianne Harlow, Ward 3, and Mark Carrier, Ward 1, spoke as representatives of the Sullivan County ATV Club. Ms. Harlow said NH DOT (Department of Transportation) has approved the waiver to allow motorized vehicles on the Rail Trail; however, motorized vehicles are not allowed on the Rail Trail unless and until the Feds approve it. She thanked City Attorney Jane Taylor and her assistant Tiffany Favreau for all their work on this. Ms. Harlow said all Sullivan County ATV trails are closed until May 23<sup>rd</sup>.

Ms. Taylor said the next step is for the waiver to go to the Federal Highway Administration for approval. If anyone feels strongly and would like to see it approved, they should contact our two U.S. Senators and Congresswoman Kuster to request their support.

Mr. Carrier said the club can be contacted at [www.sullivancountyatv.org](http://www.sullivancountyatv.org). Ms. Harlow said May 7<sup>th</sup> there will be a Family Fun Day on Maple Avenue, 10 a.m.-3 p.m.

Mike Tetu, Ward 1, said he looked in the proposed 2013 Charter regarding the residency requirement and it is in there, so it had been in front of the Attorney General and the Secretary of State. Also, there was binding and nonbinding referendums in there. He asked what the cost was for the Orr & Reno opinion. He asked what the franchise fee is that is paid to the City by Comcast. He said he provided copies of his application for the Transfer Station Ad Hoc Committee to the Council. His application was not in the packet. He said his opinion is that it was complete enough to make an appointment. He said he chaired the recycling committee that got this transfer station going 30 years ago.

Mayor Lovett asked for a discussion item on the 2<sup>nd</sup> meeting in April to look at what information is needed on the application and the process. She said there should be clear expectations of members for attendance.

Ms. Towle noted the date on Mr. Tetu's application is 2/5 and the application is still not in front of the Council. Mayor Lovett said deForest Bearse, Resource Coordinator, notified Mayor Lovett that the application is incomplete and asked what Mayor Lovett wanted to do. Mayor Lovett said Mr. Tetu has been at the Transfer Station Ad Hoc Committee meetings frequently; he has a long history with Transfer Station issues, so she didn't see a problem with it. However, it's better to have a process that is across the board, not a case-by-case basis. It was too late for this packet.

Bernie Folta, Ward 3, talked about the politization of applications. Regarding the Rail Trail, he said he was elected treasurer of the Connecticut River Byway Council, Incorporated. He said there is a Rail Trail in Cheshire County that is not supposed to have motorized traffic, but that it is not enforced. He said if Claremont gets a waiver, then they will want one too. He said there is an issue of underlying democratic fairness.

## **OLD BUSINESS**

### Audit Report-Presentation by Auditors

Bob Vachon and Tammy Webb were representing Vachon Clukay & Company PC, Certified Public Accountants.

Ms. Webb showed a PowerPoint presentation, City of Claremont, New Hampshire, Review of Audited Financial Statements as of and for the Year Ended June 30, 2015.

- Independent Auditor's Report
  - City received Unmodified Opinion on its financial statements as of and for the year ended June 30, 2015
  - City also received an Unmodified Opinion on its Federal Compliance Audit
- New pronouncement – GASB #68
  - GASB 68 – Accounting and Financial Reporting for Pensions
  - This does NOT affect General Fund or the tax rate
- GASB #68
  - The City's estimated share of the NH Retirement System's unfunded pension liability is 0.26%. This calculates to approximately \$9.8 million at 6/30/15.
- General Fund Budget and Actual Comparison
  - Total revenues and other financing sources exceeded budgeted estimates by \$347 thousand
  - Actual revenues were close to the estimated amounts
  - Total expenditures and other financing uses were \$608,000 less than the appropriated amount
  - End result is a favorable increase in fund balance over the estimated amounts by \$955,000
- Budgetary Fund Balance
  - Unassigned General Operations \$2,705,812
  - Budgetary Fund Balance \$5,114,832

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- The City's fund balance policy is to strive to maintain an unassigned fund balance equal to 5-15% of the budgeted General Fund operating expenditures each fiscal year
- City Slide with Appropriations/Uses of Fund Balance this Year
  - 2016 approved budget – from fund balance (\$450,000)
  - 2016-16 Line Striping Machine (\$17,173.21)
  - 2016-24 JSL Building Heat (\$8,000)
  - Main Street Drainage (\$500,000)
  - Total from Unassigned Fund Balance (\$975,173)
- Federal Compliance Audit
  - The City expended approximately \$568,000 in federal awards, and a federal compliance audit was performed
  - The federal compliance threshold increases to \$750,000 for the City's audit for the fiscal year ending June 30, 2016 under the revisions of federal law
  - There were no deficiencies or weaknesses identified and no findings or questioned costs to report
- Uniform guidance
- Governance Communication
  - The audit is conducted in accordance with generally accepted auditing standards, Government Auditing Standards, and OMB Circular A-133
  - Private purpose trust funds of \$9.8 million were incorrectly classified as Permanent Funds and reported as a governmental fund
  - Tolles Home has been removed from the City's reporting entity
    - They have a separate audit
  - Liabilities and deferred inflows of resources were overstated by \$800,000 in the General Fund
  - Capital assets were overstated in the Sewer Fund by \$1.96 million
  - A separate management letter was issued noting the following:
    - The Treasurer's signature stamp was accessible to another Finance employee
    - The hourly rate paid to an employee did not agree to the approved payroll form due to a time lag in receiving approved forms
    - No Social Security or Medicare taxes were withheld from one employee's payroll for part of the fiscal year
  - Corrective action has been taken to address each of these items

Mr. Damren and the auditors discussed differences between DRA and GAP basis for determining fund balance and that DRA includes property tax receivables, while GASB is a nationwide standard which does not include property tax receivables, but looks to income and sales tax receivables.

**NEW BUSINESS**

Motion to Transfer Funds Between Departments

Mary Walter, Finance Director, said Unemployment came in lower and Property & Liability Insurance came in higher, so this motion will transfer funds between departments.

**A motion was made by Mr. Damren and seconded by Mr. Raymond that the Claremont City Council, pursuant to Article III, Section 45 of the Claremont City Charter, hereby authorizes the City Manager or his designees to transfer the following sums of money between departments, such funds having been raised and appropriated in the 2016 City budget.**

Transfer to the Property & Liability Insurance Accounts

1-417-630-0010	Property Insurance	\$ 523.72
1-450-630-0010	Property Insurance	\$ 16.87
1-417-630-0030	Insurance – Auto	\$ 3,602.20
1-417-630-0032	Insurance - Boiler – Machinery	\$ 79.36
1-417-630-0020	General Liability	\$ 3,132.49
1-421-630-0040	Insurance - Police Prof Liability	\$ 3,237.56
1-420-630-0040	Insurance - Police Prof Liability	\$ 584.64
1-417-630-0055	Public Official Bond	\$ 518.87
1-417-630-0050	Public Official Liability	\$ 473.32
1-417-630-0022	Umbrella	<u>\$ 1,619.33</u>
<i>Total to be transferred:</i>		<b>\$13,788.37</b>

Transfer from Unemployment Accounts

01-411-132-0000	Unemployment	\$ (477.27)
01-412-132-0000	Unemployment	\$ (880.41)
01-414-132-0000	Unemployment	\$ (166.15)
01-415-132-0000	Unemployment	\$ (313.66)
01-416-132-0000	Unemployment	\$ (804.58)
01-420-132-0000	Unemployment	\$ (1,102.04)
01-421-132-0000	Unemployment	\$ (3,054.58)
01-422-132-0000	Unemployment	\$ (2,557.57)
01-432-132-0000	Unemployment	\$ (208.84)
01-434-132-0000	Unemployment	\$ (208.84)
01-441-132-0000	Unemployment	\$ (1,022.77)
01-450-132-0000	Unemployment	\$ (771.23)
01-471-132-0000	Unemployment	\$ (305.60)
01-481-132-0000	Unemployment	\$ (305.60)
01-482-132-0000	Unemployment	<u>\$ (1,609.23)</u>
<i>Total to be transferred:</i>		<b>\$(13,788.37)</b>

**Voice vote: motion carried 8-0.**

Live Feeds for the CSBCC and Visitors Center

Ms. Walter said the estimated cost for the Claremont Savings Bank Community Center (CSBCC) live feed will be \$4,200 and the Visitors Center will be \$9,980 (estimated total \$14,180). There was a discussion about which to do and how to pay for it, whether from Comcast users or from revenue from the franchise fee.

Ms. Walter said the revenue from the Comcast franchise fee averages \$43,000 per quarter and the City pays CCTV (Claremont Community Television) about \$30,000 per quarter. The rest goes into a Communications and Technology Capital Reserve Fund. The appropriation could be from the franchise fee.

There was a consensus to take the money from Comcast revenue and to do both sites.

Transfer Station Fees – Public Hearing

Mayor Lovett said the Transfer Station Ad Hoc Committee met with the Public Works Director and there was a consensus on the fee changes.

Scott Sweet, Public Works Director, requested fee changes to some of the Household Items in the Transfer Station Fees.

Mr. Temple would like to see, at the budget hearing for the Transfer Station, the Transfer Station Ad Hoc Committee's thought process for cutting costs or increasing revenues.

Mr. Sweet said the increases are to cover the costs. Ms. Taylor clarified that City fees are supposed to cover the cost of the service provided, not provide a profit center.

Mayor Lovett opened the public hearing.

Mike Tetu, Ward 1, talked about an enterprise fund for the Transfer Station. He suggested finding out how they do it in Keene. He suggested the fee(s) for items that are scrap metal be removed as you can get revenue from those items. Mr. Temple said the local scrap metal company has closed. The City will have to pay to haul the scrap somewhere else.

Mayor Lovett closed the public hearing.

**A motion was made by Mr. Simonds and seconded by Mr. Pope to adopt the changes to the Transfer Station Fees as presented.**

**Voice vote: motion carried 8-0.**

Amend Council Rules

Mayor Lovett submitted the following proposed changes to Council Rules in the Council packet.

City Council Members:

Below are changes to the Council Rules and Regulations that we discussed over several meetings and to which we agreed. As you may recall, I didn't provide this to you in the packet for the Feb 24<sup>th</sup> meeting; therefore, we delayed the vote. Please review in preparation for a vote on Wednesday. Thank you.

9. City Manager – Language change in first sentence.

The City Manager shall attend all meetings of the Council, unless excused by the Council.

The City Manager shall attend all meetings of the Council, unless excused by the Mayor or Assistant Mayor.

10. City Clerk – Addition

The City Clerk or the Assistant City Clerk shall be ex officio Clerk of the Council and shall keep minutes of the meeting and perform such other and further duties in the meeting as may be ordered by the Mayor, City Manager or Council.

11. City Solicitor – Addition in first sentence

Unless excused by the City Manager, the City Solicitor shall attend all meetings of the Council.

21. Excusal During Meeting – Language change

No member may leave the Council Chamber while in regular session without permission from the presiding officer.

No member may permanently leave the Council meeting prior to adjournment without permission from the presiding officer.

22. Order of Business - One addition and change in order

1. Pledge of Allegiance
2. Roll Call of Council Members
3. Mayor's Notes
4. Report of Secretary
5. Appointments to Boards and Committees
6. Citizen's Forum – Non Agenda Items (Note: Citizens will be allowed to speak on agenda items when they are discussed by the City Council)
7. Old Business
8. New Business
9. City Manager's Report
10. Future Agenda Items and Directives
11. Committee Reports
12. Adjournment

1. Pledge of Allegiance
2. Roll Call of Council Members
3. Agenda (Changes)
4. Report of the Secretary
5. Mayor's Notes
6. City Manager's Report (Note: Questions on Departmental Reports can be addressed during this time.)
7. Appointments to Boards and Committees
8. Citizen's Forum– Non Agenda Items (Note: Citizens will be allowed to speak on agenda items when they are discussed by the City Council)
9. Old Business
10. New Business
11. Committee Reports
12. Future Agenda Items and Directives
13. Adjournment

**A motion was made by Mr. Damren and seconded by Ms. Towle to amend Council Rules as proposed.**

**Voice vote: motion carried 8-0.**

### **CITY MANAGER'S REPORT AND DEPARTMENT REPORTS QUESTIONS AND ANSWERS**

Mr. Santagate reviewed his written report.

Charlestown Road TIFD (Tax Increment Finance District)-there are infrastructure and major flooding issues around the Charlestown Road area. He proposed reviewing for possible TIFD designation.

Audit Report – there were no material deficiencies and the City has not had any for a long time.

Fire Department – there were 5 firemen out of work due to non-work related injuries. They are all back to work, which has reduced potential overspending of the overtime budget line.

Road Preservation/Paving – working on a five-year program related to the preservation and paving of our streets and roads.

Auction of City-owned Property – Ms. Taylor said the auction will be held March 19 at the Claremont Savings Bank Community Center (CSBCC) at 10 a.m. There has been a lot of interest; some as far away as California. Mr. Damren asked if there is a reserve. Ms. Taylor said no. The primary goal is to get the properties back on the tax rolls. Another goal is to cover the back taxes. Any excess after the back taxes and fees will be returned to the prior owner.

Mr. Santagate said the Personnel Advisory Board will meet to discuss appointing a third member. He asked if anyone had a name to suggest, to let him know.

Mr. Santagate talked about the Forestry Plan – Transfer Station, Winter Street, Rice Reservoir, Arrowhead, Whitewater Reservoir and Cat Hole Road.

Mr. Santagate talked about the Street Lighting Project that was done in 2005. New technology is now available and a new project is being worked on which would allow the City to save more money. The last program was funded through savings generated by the new lighting. To help fund this program, the City has contacted the CDFFA (Community Development Finance Authority) for a loan (pending).

Mr. Santagate talked about parking for the CSBCC. He hopes to bring that discussion forward soon.

Bernie Folta, Ward 3, remembered that three years or so ago the City Manager had talked about closure of South Street. Mr. Santagate said there was a lot of controversy there, so it has been taken off the table.

Scott Sweet, Public Works Director, said regarding the lighting, sample lights have been installed in front of the CSBCC and in front of the Library.

There was a discussion about a carbon monoxide incident in the Fire Department Report. Mayor Lovett suggested having the Fire Department relay to the community that CO detectors are as important as smoke alarms. Ms. Taylor said under state law all rental units are required to have CO detectors although there is no jurisdiction for the City to inspect 1 or 2-unit homes which makes enforcement difficult.

Ms. Towle suggested the Fire Chief do a presentation on CCTV (Claremont Community Television) regarding the importance of carbon monoxide detectors.

## **FUTURE AGENDA ITEMS AND DIRECTIVES**

Ms. Towle asked to have a letter drawn up, for all Councilors to sign, to be sent to the NH governing powers asking them to support the ATV waiver.

Ms. Towle said Richard Kimball's retirement potluck dinner went well. She asked if department heads could give a "heads up" to Council about retirements of long term employees. She said Council needs to do a better job thanking them.

Mr. Pope said he sent a complaint letter from a constituent to the City Manager regarding an issue on Bible Hill. Mr. Pope would like a follow-up on that.

Mr. Bergeron said he had a similar request as Mr. Pope for 25 Chestnut Street; he would like a follow-up. Mr. Santagate will give an update.

Mr. Damren said his request was to start the discussion on the City Manager search process which is on the next Council agenda.

Mayor Lovett said she put in a call to David Scanlan, Deputy Secretary of State, to have a member of the Secretary of State's office give Council training on Charter amendments. She said the training is free. Her objective is to have that as part of the March 23<sup>rd</sup> meeting. Mr. Simonds asked about training for other issues. Mayor Lovett said that will be through NH Municipal Association.

## **COMMITTEE REPORTS**

Mr. Bergeron said the Policy Committee has met. The Cemetery and Licensing Board ordinances will be reviewed. It takes time to do the review. Ms. Taylor reminded Mr. Bergeron to post notices of the meetings.

Mayor Lovett said the Transfer Station Ad Hoc Committee is finalizing its report. She said the Committee's belief is that there is no true way to recover the cost of MSW unless it is weighed.

Mayor Lovett said the Amtrak Ad Hoc Committee's focus is on the June 18<sup>th</sup> event. She hopes businesses will have train themed events. More information will follow. She said John Lambert has given his approval to use his property for the activities.

Ms. Taylor asked if this will be coordinated with the Parks and Recreation Department. Mayor Lovett said yes. She said that Mr. Raymond had mentioned coordinating this with the 100 year anniversary of Moody Park.

## **CONSULTATION WITH LEGAL COUNSEL**

None

**ADJOURNMENT**

**At 8:33 p.m., a motion was made by Ms. Towle and seconded by Mr. Damren to adjourn.**

**Voice vote: motion carried 8-0.**

Respectfully Submitted,

Dorée M. Russell  
Clerk to the Council