

**CITY OF LACONIA - CITY COUNCIL MEETING
7:00 P.M.**

6/20/2022 - Minutes

1. CALL TO ORDER

Mayor Hosmer called the meeting to order at 7:00 PM

2. SALUTE TO THE FLAG

Councilor Haynes led the Salute to the flag

3. RECORDING SECRETARY

Katie Gargano, City Clerk

4. ROLL CALL

City Clerk Gargano called the roll of Councilor Cheney, Councilor Soucy, Councilor Lipman, Councilor Haynes, Councilor Hamel, Councilor Felch & Mayor Hosmer

Mayor Hosmer confirmed all Councilors were in attendance and a quorum was established.

5. STAFF IN ATTENDANCE

Scott Myers, City Manager; Glenn Smith, Finance Director/ Zoom Coordinator

6. NEW BUSINESS

6.A. Request to sign the Unlicensed Dog Warrant for 2022

Per RSA 466:14 as stated below, the attached list of unlicensed dogs must be distributed to the City Council no later than June 20, 2022 for approval within 20 days to permit the issuance of Civil Forfeiture penalties allowed by RSA 466:13. It is my request that the signing of the attached warrant be placed on the agenda for the regular City Council meeting to be held on June 20, 2022, after which time the Laconia Police Department will begin the process of issuing Civil Forfeiture fines to those individuals listed.

Councilor Felch move to issue the warrant as presented for the 2022 Unlicensed Dogs. Seconded by Councilor Haynes, **Discussion-** None. The ***motion passed with all in favor.***

7. UNFINISHED BUSINESS

7.A. General budget discussion

Manager Myers told the Council that there have been some legislative changes that have occurred since they presented the budget in April. There are several bills that will affect this upcoming budget. They have been passed by the House and the Senate and are awaiting the Governor's signature. He does not believe there will be any reason for these bills not to be signed into law soon. If there was any reason for them not to be signed into law, they will not cause any harm to the existing budget. They were simply taking money for one function and moving it to another, and the money can be easily moved back. There was a staff report dated June 27th that was handed out to the Council. Manager

Myers spoke about the items on the staff report, the changes that were made to reflect the legislative changes, some of the increases that the Council enacted related to parking fees at Weirs Beach and the increased tipping fees at the Transfer Station. They adjusted the revenue that will be generating on the report. He then explained the revenue side of the report beginning with House Bill 1221 and indicated that is a one-time payment from State surplus. Municipalities can expect to receive 7.5% of what they paid in FY 22 for Police and Fire Retirement. Manager Myers has estimated that Laconia will receive \$160,000.00 back. Senate Bill 401 started as a Birthing Rate Reimbursement and morphed into body worn cameras, roads and bridges. This bill is based on the number of municipal bridges and the number of linear deck feet. Manager Myers believes Laconia is going to receive \$699,000.00 in bridge money. This money will come directly to the local level with a stipulation that it must be used for bridge type work. In the initial budget proposal, Manager Myers suggested moving \$120,000.00 out of the Health Stabilization account as a way to offset the 9.25% increase that was received in the City's health insurance rate this year. He is no longer looking to do that now because of some of these other funds. If they had transferred the \$120,000.00 out of that account, it would have left a balance of about \$50,000.00. The City has never had to use that account since its creation. Management has always found other ways to make it work, but the account is a nice safety net. With the new fees being assessed for Parking, they estimate they will collect an additional \$95,000.00 in revenue. Revenue Adjustments were also made to solid waste collection "Class C" which are the larger loads that come into the transfer station from the commercial haulers and demolition collection amounts are increasing. They did not change the tipping fee for demolition but have adjusted the estimated revenue to \$150,000.00 to reflect the higher amounts that are being dropped off at the Transfer Station. Manager Myers went on to discuss the reductions that have been made to some of the items. Bridge Repair Maintenance was reduced by \$35,000.00, bringing the total down to \$40,000 which is the same as it was last year because of the new bridge money coming from the State. They are looking to take \$15,000.00 out of the new parking kiosk revenue and put it into a parking kiosk capital reserve account. The current kiosks are about 5 years old, and it is good to have some money in reserves for replacements or repairs needed. When looking at the \$160,000.00 being returned to the City from retirement payments, they'd like to take \$155,000.00 and put it into a fuel contingency account. Manager Myers mentioned that at one of their last budget meetings, fuel was a topic of discussion, with all the unknowns of the costs of fuel for vehicles as well as heating fuel in the Cities buildings whether it be natural gas or oil. Manager Myers said that rather than putting the money into individual departments budgets, they should keep it in a contingent account that the Council can allocate to the respective departments as needed, if needed at all. He is proposing to move \$75,000.00 from the Highland Street bridge repair which was slated to be coming out of FY23 ARPA funds, because of the new bridge aid coming from the State. The pedestrian bridge design and the Hilliard Road bridge design were also going to come out of FY 23 ARPA funds and are now being moved to the General Fund to come out of the State Bridge aid money. They are increasing the amount to bridge repair maintenance up to \$160,000.00. The budget book originally reflected that \$140,000.00 was requested and \$75,000.00 was going to be funded. This will give the amount of what the true need is, and the money can always be carried forward if it doesn't all get expended this year. Manager Myers explained that there is a lot of bridge money that is expected to come in and they do not have all the bridges identified yet. For the remaining funds he'd suggest they create a reserve account for repair maintenance. Manager Myers reminded the Council on the Solid Waste and Recycling contracts the City has received. Either way the Council chooses to go for collection, he thinks we will be short. He has added \$150,000.00 back into the solid waste and recycling collections line to try to get closer to the bid numbers they've been seeing. The bottom lines for both expenses and revenues of the proposed changes is \$984,000.00. The revenue coming in is offset with either capital or one-time expenses, so it's nothing that was built in as a recurring expense.

Manager Myers said that in the Resolution that was posted, the State Education portion of the budget was inadvertently omitted from the Resolution. That correction is included in the amended Resolution, and it was in the proposed budget book and included in all the original numbers. It was a clerical error when they posted the Public Hearing.

Manager Myers ended there and stated he was open to questions from the Council.

Councilor Lipman had a question on the Revenue side regarding HB 1526 which raises the

ambulance rates to 15 % of the Medicare Rate. Manager Myers replied that he and the Finance Director tried to estimate that when working on the budget, but they did not know a definitive percentage at that time. He also noted that the ambulance billing is in its own special reserve account and is not part of the General Fund. The rates can be adjusted as needed and will come in as revenue. They have been monitoring that legislation.

Councilor Hamel had questions for Manager Myers about bridge repair on the Messer Street Bridge. Manager Myers said that there is going to be a bridge reserve account with the money the City receives from the State and the Council could allocate money to that bridge.

Manager Myers then moved on to discuss Capital Item spending, he gave another handout to the Council that showed a roadmap of capital items and where money is being allocated to. There are items that are highlighted in yellow that the Council has already approved with prior fiscal year money and ARPA Funds and the other capital items will be coming from fiscal year 23 funds and fiscal year 23 ARPA funds. There was further discussion on bridges between Councilor Hamel and Manager Myers.

Councilor Hamel said he saw the Fire Dept is asking for 2 new vehicles- 1 forestry truck and 1 new deputy vehicle for \$55k. He said he had a conversation with the Chief about battery operated electric jaws of life and he'd like to see the Fire Department skip the Deputy's vehicle and buy one of those instead. Councilor Hamel said that Chief Beattie said would like to have the vehicles instead of purchasing a electric jaws of life for the ambulances. Councilor Lipman and Councilor Felch both agreed that purchasing lifesaving equipment was more important than replacing a vehicle that could wait until next year to be replaced. Manager Myers explained the reasoning for the need of the vehicles and what they are used for. Councilor Soucy and Councilor Felch would like to see a list of all the City's vehicles and what the condition of them are. Councilor Hamel made a motion to amend the plan to strike the deputy car and purchase 2 electric jaws of life: one per ambulance. Seconded by Councilor Soucy. Discussion: Councilor Lipman said he agreed the Council should vote on it, but the purchase of 2 will depend on the official cost of the devices. The consensus was that all Councilors were in favor of this idea.

Councilor Lipman spoke to Manager Myers about the trash collection issue. The amount of money in the budget for trash collection is assuming the Council chooses the automated system. If the Council does not there could be a \$300,000.00 shortfall. Manager Myers will share the bids to the Council tomorrow. Councilor Soucy commented that the recommendation from the public works committee was not solely made on the financial cost. He noted that many of the bidders said that they cannot find the help to operate the trucks to continue offering manual pick up. Councilor Haynes commented that he thinks the Council needs to try to educate the public about the options and the reasoning for switching if they do. If they don't, he thinks the problem is going to get much worse.

Councilor Haynes questioned Manager Myers what the reason was for the reduction in the State School Education funding. He believed it was close to 1,300,000.00. Manager Myers said that it was part of the calculation of adequacy aid and the loss of enrollment and they are tying it to the enrollment of free and reduced lunch. There was a large increase in enrollment during Covid because they were giving everyone free meals during Covid. Councilor Lipman said that he is familiar with this subject and there is a State Representative who is looking into creating a new formula to calculate the aid which would use Medicaid numbers versus free and reduced lunch enrollment. It will be a bill introduced in the next legislative session.

Councilor Felch thanked Manager Myers, Director Smith, and anyone else that is involved with putting the budget together. He thinks they all did a great job and he thanked them for all their hard work.

Councilor Lipman spoke about the City parks and the upkeep and maintenance needed of the parks and beaches. He would like to see the budget including more outsourcing to ensure that beautification of the parks and beaches gets done. He understands the challenges in staffing, and he knows they are always busy and do a great job. He'd like to see them get some extra help. Manager Myers commented that they have begun outsourcing the spreading of all the mulch at the

playgrounds, and the cleaning of all the bathhouses at the beaches and parks for the whole summer season. This year for the first time they have outsourced some of the mowing jobs. Manager Myers discussed the increases in the operational budget with Parks and Rec and he said that it includes adding an additional full time staff member. He noted that this year's proposed budget reflects \$35,000.00 for Parks and Rec outsourcing and there is a new line added for \$15,000.00 for playground improvement. Manger Myers said they also increased the budget for temporary staff from 108,000.00 to \$130,000.00. Councilor Lipman would also like to see the maintenance to the crosswalks in the City change. He knows that crews are sent out annually to paint and he'd like to see a process or product to extend the life of the crosswalks, so the Public Works crew doesn't have to go out every year. Manager Myers is going to check with Director Anderson to see if there is a more efficient product.

Councilor Hamel has a request for Manager Myers to find more money for warning lights and signs on Rollercoaster Rd. There was a fatality during Motorcycle week and he knows it is not the first fatality. On Rollercoaster Road in the area near the Corner at the end as you approach it, he'd like to see a similar warning lights and signs that were done on Scenic Rd. because of the number of accidents and fatalities that have happened in this area. Manager Myers said he'll have DPW go out and look at the area because there is a budget line for signs.

Councilor Lipman asked about crosswalk concerns in the downtown area, walk near the tavern. Councilor Haynes mentioned the cross walk on Water Street and people's concerns from the WOW trail. Manager Myers said that there isn't enough sightline to add anything more than the existing bright yellow signs on Water Street. Manager Myers said there is money in the proposed budget for ADA Pan, which looks at the intersections and what is needed. Manager Myers also noted that any intersection that gets any road improvements is required by law to have the crosswalks and accessibility upgraded at that time.

Councilor Lipman mentioned security fencing for the police department. Manager Myers said those funds will be available in August 2022 when the ARPA funds come in.

Councilor Lipman asked about IT Security. He knows that \$50,000.00 was budgeted and he wants to make sure that was adequate. Manager Myers deferred to Director Smith to speak about IT funding. Director Smith said that this question solely depends on if they get awarded a grant they applied for. If they are awarded the grant and still have the \$50,000.00, he thinks that will be adequate. Director Smith noted that their IT security is in very good shape, and this is going to help enhance it. Manager Myers mentioned that the City has been working with an outside vendor and has been having different types of security testing done as well as planning for crisis mode if we ever had a security breach. Councilor Lipman said he wanted to make sure the City had enough money to be proactive for the unanticipated.

Councilor Lipman brought up the subject of Elections. He knows the Governor just signed a new bill regarding provisional ballots and he wants to make sure we have enough money in the budget with respect to attracting Election Workers. He wants to make sure the City is prepared with elections being more scrutinized than they were in the past and it may be more difficult attracting election workers. Manager Myers deferred the question to City Clerk Gargano. She explained that she was familiar with the bill. The only Election workers it was going to affect was the Moderator and herself regarding if the voter does not turn in their documentation to the State in the allotted timeframe, then they will have to work together to reduce the results that were originally reported on Election night. Manager Myers said that because any additional costs are unknown and therefore cannot be adequately budgeted for, there is a contingency account that can be accessed for Elections if needed. Manager Myers discussed the possibility of there being some issues with recruitment and the reasons why they may no longer be interested. Councilor Felch mentioned as a moderator he doesn't foresee this new bill requiring anymore staffing. He is fortunate enough to be one of the only wards that is fully staffed, and he has people waiting to help. Councilor Haynes is also a Moderator and said he doesn't think it's a financial problem with trying to get people to work on Election Day. It's possible that with the people who are fully employed, their employer is telling them they can no longer have the time off because of the labor shortage.

8. **Any other business that may come before the Council**

9. **ADJOURNMENT**

Mayor Hosmer adjourned the meeting at 8:08 PM.

Respectfully Submitted,

Katie Gargano, City Clerk

DRAFT