

**City Council Special Meeting
August 16, 2022
Council Chambers
6:33 PM**

COUNCILORS PRESENT

Councilor Beaudoin
Councilor Berlin
Councilor de Geofroy
Councilor Desrochers
Councilor Gilman
Councilor Gray
Councilor Hailey
Councilor Hamann
Councilor Larochelle
Councilor Malone
Deputy Mayor Lachapelle
Mayor Callaghan

OTHERS PRESENT

Blaine Cox, City Manager
Katie Ambrose, Deputy City Manager
Tom Kaczynski, resident
Susan Rice, resident
Mike Bezanson, City Engineer
Dennis Dube, Fire Chief
Tim Jones, Frisbie Hospital CEO
Paul Giuliano, REDC Chair
Lou LaMarca, CEO of LDI
Josh Dame, President of LDI
Mark Sullivan, Deputy Finance Director

COUNCILORS EXCUSED

Councilor Fontneau

Minutes

1. Call to Order

Mayor Callaghan called the City Council Workshop to order at 6:33 PM. Deputy City Clerk Cassie Givara had taken a silent roll call attendance prior to the Special meeting immediately preceding the workshop. All Councilors were present except for Councilor Fontneau, who was excused.

2. Public Input

Tom Kaczynski, resident, spoke about the system development fees on the agenda, their equitability, and the waivers referenced therein. Mr. Kaczynski also questioned the function of the Economic Development Commission and uses of the Economic Development Special Reserve Fund.

Susan Rice, resident, addressed Council regarding several City issues, including cooling centers for the homeless, potential solar farms, and City property purchases.

3. Communications from the City Manager

City Manager Cox reported that there had been one piece of email correspondence received from Brittany Eldridge with the subject line “Mental Health, Addictions, and Traumas” that has been distributed to all Councilors.

City Manager Cox welcomed Kiersten Wright, the City of Rochester's new grants manager and Community Development Coordinator, and Erin Nasino, the recently hired Community Outreach Coordinator.

He reported that the Fire Department has taken delivery of truck 6. It is not in operation yet, but once it is, there will be a showing scheduled prior to a Council meeting.

City Manager Cox reported that although the US Drought Monitor states that Rochester is on the line between moderate and severe drought, the City's watershed north of the City is in the moderate area, and overall, the City is at about 82% of total storage capacity.

City Manager Cox stated that the emergency warming space at the entrance of the Police Department, is being expanded into a room off the lobby and will be receiving new flooring and furnishings soon.

Mr. Cox referred to pictures on page 41 of the packet showing the Woodman/Myrtle water line project. He distributed full size versions of the pictures to better detail the necessity of this project.

Councilor Lachapelle asked what would happen to the current Fire Department ladder truck once the new one is operational and if this older truck would be housed at the Gonic station. Chief Dube confirmed that the reserve ladder truck will be kept at the Gonic station, primarily due to the space required to house this unit.

Councilor Hamann asked for a status update on the Strafford Square project. Mike Bezanson, City Engineer, stated that the City is currently waiting on approval from DOT to award the contract for the project, which they anticipate will occur within the next week. He indicated that construction would begin in fall.

4. Communications from the Mayor

Mayor Callaghan announced that on September 3, there would be a Moderator's Session held at the James W. Foley Community Center to test the tabulators and count the ballots for the upcoming September 13 State Primary Election. The time is TBD, but the public is welcome to attend and view the process.

Councilor Gray requested that an agenda item be added to the September 6th City Council meeting in regards to a communication he received from a constituent indicating that they had discovered "disturbing" books in the children's section of the Dover Public library which are reported to also be in the children's section of the Rochester Public library. Councilor Gray stated that he would forward the communication to City Manager Cox so he could consult with Library Director Lejeune. He stated he wanted to discuss what the current ordinances are regarding these matters and what the City intends to do about these types of materials in the library. Councilor Gray requested that there at least be a report from the City Manager at the Regular Council meeting and, if needed, the discussion can be sent to the Workshop.

5. HCA Update – Tim Jones, Frisbie Memorial Hospital CEO

Tim Jones, CEO of Frisbie Memorial Hospital, stated that the Attorney General's office had

released a statement regarding the hospital's intention to eliminate obstetric births at the Rochester facility. Mr. Jones explained the reasoning behind this decision; a steady decline in birth rates at the hospital, with the month of July seeing only 2 births. This low volume leads to reduction in clinical competency, for providers as well as nurses, with a reduction in skills if the practice is not maintained regularly. He explained that in 2017, the hospital saw approximately 350 births; this year the hospital is unlikely to reach 100 births. The American College of Obstetrics and Gynecology recommends a minimum of 100 births per provider per year to maintain competency. Due to this low and continually declining birth rate, the hospital has found it increasingly difficult to recruit providers, who would not be able to maintain competency.

Mr. Jones explained that Frisbie will be working with the Attorney General's office to determine how to proceed through this transition. He reported that the hospital currently has an agreement with a private practice obstetrics group to provide prenatal, post-natal, gynecological, and surgical care for local residents through the facility; however, this group only does hospital deliveries in Portsmouth. Mr. Jones clarified that none of the staff affected by this change are losing their jobs; with offers coming from both Harbor Women's Group in Portsmouth and other opportunities within Frisbie being offered.

Councilor de Geofroy inquired what the primary reasons were for the decline in birth rates at Frisbie. Mr. Jones stated that they do not have a definitive reason for the steady decline, but speculated that it is likely, at least in part, to the program offered by Wentworth Douglass and residents choosing to deliver in Dover.

6. Rochester Economic Development Commission Update

Paul Giuliano, Chair of the Economic Development Commission, gave an overview of who serves on the REDC, their responsibilities as a commission, and the projects with which they are involved. The REDC meets on the fourth Thursday of each month at 4:00 PM in the Cocheco Conference Room of the Annex, and occasionally at local businesses. He invited the public to attend these meetings and contribute their vision and goals for the future of Rochester.

Mr. Giuliano spoke about the Economic Development Special Reserve, to which the Council recently approved funding. He explained that utilizing these funds aligns with the City's fund policy as well as allowing for greater transparency and performance measures for the approved projects. He explained that starting at the September meeting, they will begin drafting a plan for how to best use these funds, and will then present this plan to Council at a future meeting. Mr. Giuliano stated that the REDC would also like to expand their role in the hopes of addressing the lack of affordable housing in Rochester.

Mr. Giuliano introduced Lou LaMarca and Josh Dame, CEO and President of LDI, respectively. He spoke about the agreement between the City and LDI with the City of Rochester/REDC acting as the guarantor for the \$3 million dollar loan for construction of LDI's facility. He stated that this loan has since been paid off and he looks forward to utilizing this low-risk financing tool to attract new business to Rochester. Mr. LaMarca spoke about the positive growth and success that LDI has experienced since opening in Rochester. He spoke about the potential of offering training programs to students. Mr. LaMarca explained that LDI has two divisions; the first supplying materials to operating rooms and tissue and organ recovery facilities. The second supplies sustainable, toxin-free wall covering and upholstery materials. He explained that the entire property

was financed through the Business Finance Authority with the collaboration through the REDC. LDI was able to refinance within a year and completely repay the City.

Mayor Callaghan asked Mr. LaMarca if LDI was facing any challenges to which the City could be of assistance. Mr. LaMarca stated that they were in need of employees, and reiterated their goal to instate internship and training programs. He echoed the sentiment of Mr. Giuliano for additional workforce housing in the City to house potential employees for local growing businesses. Mayor Callaghan stated that he would get Mr. LaMarca the contact information for the Creteau Technology Center Director.

7. Discussion: Amendment to the General Ordinances of the City of Rochester Creating Chapter 260A Regarding Water Development Connection Fee

Mark Sullivan, Deputy Finance Director, directed Council to the revised language of the ordinance included within the packet that indicates these connection fees are only for new development connections with existing properties and City-initiated expansion projects being exempt. Mr. Sullivan said the section regarding appeals/waivers was also updated to detail the process (recommendation by Director of City Services, approved by the City Manager, and sent to the Utility Advisory Board) where previously it had given sole authority to the Director of City Services. There was also an addition of the reporting period for the Director of City Services to return to Council with the number of waiver applications received, and number of approvals and denials.

Councilor Beaudoin questioned the enabling legislation referenced in the ordinance and inquired why specific language from NH RSA 38:29-2, regarding disposition of funds, was not included in the resolution. Mr. Sullivan stated that the language included in the resolution was drafted by a law firm, and the specific language and references therein were not further analyzed following the completion by the attorney. Councilor Beaudoin referenced a portion of the resolution detailing the annual report listing how funds were expended. He felt that this is in opposition to the verbiage in RSA 38:29 and he requested an explanation on why the verbiage he referenced was not included in the resolution.

Deputy City Manager Katie Ambrose said that the RSA referenced by Councilor Beaudoin was in reference to the water fund, which was already established; she stated that it reads as the enterprise fund itself as opposed to an actual fund for these fees. She felt that this was a separate enabling statute for the water fund itself. Deputy Manager Ambrose reiterated that the verbiage in the resolution came from a legal firm specializing in environmental law.

Councilor Beaudoin stated that in RSA 38:27 there is wording which says this fund “shall be referred to as the Water Fund” although the City of Rochester is calling it something different.

Councilor Beaudoin referenced RSA 32:4 “Preparations of Budgets” and read excerpts thereof. He felt that verbiage from this RSA belongs in the resolution. He also read portions of section 44 of the City Charter titled “Supplemental Appropriations and Transfers.” He stated that he felt the resolution was very broad regarding how the funds could be expended, with an annual report after the fact. Councilor Beaudoin suggested specific wording outlining the need for Council approval prior to funds being expended to give the governing body the opportunity to weigh in on whether these funds should be expended. Deputy Finance Director Sullivan explained the requirement already in place for Council approval of supplemental appropriations. He stated that the only difference in this process is

the funding source would be listed as “system development fees.” Council approval would still be required as always. Councilor Beaudoin read a portion of the resolution and inquired why Council approval was not explicitly laid out in the wording. Mr. Sullivan stated that Council approval is assumed based on both the City Charter and the budget ordinance; there would be no circumstances where money is expended without Council approval. The report process referenced by Councilor Beaudoin simply details how there will be a summarized report if there are expenditures specific to these funds as opposed to the multitude of projects laid out in the CIP process, some of which may not be expended in the same year approved.

Councilor Beaudoin requested that a detailed accounting of expenditures from this account as opposed to a “summary” as stated in the resolution. There was further discussion on the subjective nature of the word “summary” and what that actually entails. Deputy Director Sullivan stated that it could be adjusted to include a “detailed” accounting.

Mayor Callaghan asked if there was a likelihood that the Council would see a supplemental request from this account during the fiscal year. Mr. Sullivan said that this is not the intention; that the requests would likely come through the CIP budget. However, there is a possibility that there could be supplemental requests from this account depending what comes up throughout the year. Mayor Callaghan inquired how many waivers had been requested from this process previously. Mr. Sullivan stated in the past ten years, there had been one request for a waiver which had been denied.

7.1 Discussion: Amendment to Chapter 260-33 ‘Water Rate and Fee Schedule’

8. Discussion: Amendment to Chapter 200 of the General Ordinances of the City of Rochester Regarding Sewer Development Connection Fee

Mr. Sullivan asked about the mapping of the state RSAs and charter references that had been brought up Councilor Beaudoin. He asked for direction on how the Council wanted to proceed and if the legal counsel who drafted the resolution should be brought back for revisions. The sense of Council was that the attorney should be contacted for brief written explanation and clarifications on the questions posed; however, the attorney did not have to be brought back for discussion with Council.

8.1 Discussion: Amendment to Chapter 200-33 “Wastewater Rate and Fee Schedule”

9. Department Reports

Councilor Beaudoin asked about the reference in the Fire Department report that there had been full staffing 42% of the time in July. Chief Dube said this is a normal number for the summer months when vacation time is used most often. Councilor Beaudoin asked if this creates coverage issues. Chief Dube clarified that each shift is 10 members, with a potential reduction to a minimum of 8 members. These references to short staffing refer to the shifts with 8 members, at which time the City will hire back firefighters on overtime to cover these shifts.

10. Non-Public /Non-meeting

Councilor Lachapelle **MOVED** to enter into a non-public session at 7:23 PM under RSA 91-A:3, II (a) personnel. Councilor Malone seconded the motion. The **MOTION CARRIED** by a

unanimous roll call vote with Councilors Berlin, Desrochers, Gray, Hamann, Hainey, Lachapelle Larochelle, Beaudoin, Malone, Gilman, de Geofroy, and Mayor Callaghan all voting in favor.

10.1 Non-Public Session – Personnel, RSA 91-A:3, II (a)

Councilor Lachapelle **MOVED** to exit the non-public session at 8:53 PM. Councilor Hamann seconded the motion. The **MOTION CARRIED** by a unanimous voice vote.

Councilor Lachapelle **MOVED** to seal the minutes of the non-public session because it has been determined that divulgence of this information would likely affect adversely the reputation of any person other than a member of the board. Councilor Malone seconded the motion. The **MOTION CARRIED** by a unanimous roll call vote with Councilors Gray, Hamann, de Geofroy, Beaudoin, Hainey, Lachapelle, Gilman, Malone, Larochelle, Berlin, and Mayor Callaghan all voting in favor (Councilor Desrochers had left the meeting prior to coming out of non-public session).

11. Adjournment

Mayor Callaghan **ADJOURNED** the City Council Workshop meeting at 8:55 PM.

Respectfully Submitted,

Cassie Givara
Deputy City Clerk