

**Regular City Council Meeting
May 5, 2020
Meeting Conducted Remotely
7:00 PM**

COUNCILORS PRESENT

Councilor Abbott
Councilor Belken
Councilor Bogan
Councilor Gray
Councilor Hainey
Councilor Hamann
Councilor Hutchinson
Councilor Lachapelle
Councilor Lachance
Councilor Rice
Councilor Walker
Deputy Mayor Lauterborn
Mayor McCarley

OTHERS PRESENT

Blaine Cox, City Manager
Katie Ambrose, Deputy City Manager
Terence O'Rourke, City Attorney
Mark Sullivan, Deputy Finance Director
Julian Long, Community Development
Coordinator/Grants Manager

Minutes

1. Call to Order

Mayor McCarley called the meeting to order at 7:00 PM and read the following preamble:

Good Evening, as Chairperson of the City Council, I am declaring that an emergency exists and I am invoking the provisions of RSA 91-A:2, III (b). Federal, state, and local officials have determined that gatherings of 10 or more people pose a substantial risk to our community in its continuing efforts to combat the spread of COVID-19. In concurring with their determination, I also find that this meeting is imperative to the continued operation of City government and services, which are vital to public safety and confidence during this emergency. As such, this meeting will be conducted without a quorum of this body physically present in the same location.

At this time, I also welcome members of the public accessing this meeting remotely. Even though this meeting is being conducted in a unique manner under unusual circumstances, the usual rules of conduct and decorum apply. Any person found to be disrupting this meeting will be asked to cease

the disruption. Should the disruptive behavior continue thereafter, that person will be removed from this meeting.

Please note that all votes that are taken during this meeting shall be done by Roll Call vote.

Let's start the meeting by taking a Roll Call attendance. When each member states their name and ward, also please state whether there is anyone in the room with you during this meeting, which is required under the Right-to-Know law.

Kelly Walters, City Clerk, called the roll. All Councilors were present. In addition, all Councilors indicated that they were alone in the location from which they were connecting remotely.

2. Opening Prayer

Mayor McCarley called for a moment of silence to reflect on the impact of COVID-19.

3. Pledge of Allegiance

Mayor McCarley led the Pledge of Allegiance.

4. Roll Call

Kelly Walters, City Clerk, took a roll call under the preamble earlier in the meeting.

5. Acceptance of Minutes

5.1 Regular City Council Meeting: April 7, 2020 *consideration for approval*

Councilor Lachapelle **MOVED** to **ACCEPT** the Regular City Council meeting minutes of April 7, 2020. Councilor Walker seconded the motion. The **MOTION CARRIED** by a roll call of 13 to 0. Councilors Rice, Walker, Belken, Bogan, Lachapelle, Hamann, Lauterborn, Hainey, Abbott, Gray, Hutchinson, Lachance, and Mayor McCarley voted in favor of the motion.

5.2 Special City Council Meeting April 28, 2020

Councilor Lachapelle **MOVED** to **ACCEPT** the Special City Council meeting minutes of April 28, 2020. Councilor Walker seconded the motion. The **MOTION CARRIED** by a roll call vote of 13 to 0. Councilors Hainey,

Lauterborn, Abbott, Hutchinson, Rice, Lachapelle, Walker, Gray, Bogan, Hamann, Belken, Lachance, and Mayor McCarley voted in favor of the motion.

6. Communications from the City Manager

6.1 Employee of the Month Award

City Manager Cox announced that the members of the Emergency Operation Center [EOC] have been selected as the Employee of the Month for May. City Manager Cox read a letter from the Employee Recognition and Achievement Committee who made this recommendation. City Manager Cox shared one of the many letters received by the public as well. The members are as follows:

- Fire Chief Klose
- Adam Hughes
- Rob Lynch
- Bob Veno
- Julia Libby

6.2 City Manager's Report

The City Manager's Report is as follows:

Contracts and Documents Executed Since Last Month:

- Department of Public Works
 - Brown & Caldwell NPDES – Engineering Support Task Order
 - Colonial Pines Sewer Project - Turnpike Encroachment Permit
 - Wright Pierce - Water Audit & Demand Analysis
- Economic Development/Community Development
 - CDBG FY20 Environ. Review CAP Weatherization – Briar Ridge Estates
 - CDBG FY20 Environ. Review CAP Weatherization – StonyBrook
 - CDBG FY21 Environ. Review CAP Weatherization – Goodwin Comm Health
 - CDBG FY21 Environ. Review CAP Weatherization - RHA
 - Prep Partners P & S Addendum
- Finance Department
 - MPS Service Agreement
- Information Technology
 - ABB – Fiber Connection
- Police
 - Vest Grant Application Authorization Request

Standard Reports:

- o Monthly Overnight Travel Summary - none
- o Permission & Permits Issued -none
- o Personnel Action Report Summary

6.3 Discussion: Housing Assistance Relief microloan proposal

City Manager Cox referred to a letter, which can be found in the City Council packet, relative to the proposed Residential Housing Relief Micro-Loan Program which was discussed at the April 21, 2020 City Council workshop. In this letter, staff asked the following two questions to guide their analysis:

1. Does the proposed program provide any services that the City's existing welfare program does not already provide?
2. Is there a need currently identified that is not being met?

City Manager Cox informed the Council that the City staff determined that the answer to both of these questions is no. He added that it was determined that the program is not needed at this time. The existing welfare program is positioned to meet the verified needs that exist.

Councilor Hutchinson questioned how the verified need had been determined? Secondly, he asked if residents are aware of the programs currently offered by the Welfare Department; in particular the residents who have never used such services in the past. City Manager Cox replied that the Welfare Department has specific guideline from the State as to how to operate the department in terms of offering services. City Manager Cox spoke briefly about the Welfare programs which are in place at this time.

Councilor Hutchinson again questioned how it can be determined that there is not a verified need that exists and how residents can find out about the services offered if they have not had to use such services in the past. He gave an example of someone who has lost their job for the first time in life due to COVID-19. City Manager Cox replied that the Welfare Program has been in place for well over a hundred years. He stated that it is a general assistance program. He said if it is a matter of publicizing the existing Welfare Program, City staff can follow up with that recommendation. City Manager Cox stated that in his years of service, he has not been aware of a lack of knowledge about the Welfare Program. Councilor Hutchinson reiterated that there has not been a thorough analysis

to confirm if there is a need for a Residential Housing Relief Micro-Loan program in Rochester. He said it was City staff, who are employed and have job security, who were the ones answering these two questions.

Councilor Rice informed the City Council that his constituents have been in favor of this program and a possible expansion of the program if it is implemented. He added that more clarification should be in place for guidelines about how this should be implemented and if \$500,000 is enough funding for such a program. He said although many of his constituents are homeowners verses renters, there is a consensus that the program is a necessity for renters during the pandemic. He said this may not be a need at this time but the City should be prepared for when/if this need arises.

Councilor Hainey said her constituents are a mix of homeowners and renters. She reported that no constituent has voiced concerns to her against proceeding with such a program. She added that she does have one concern about the program which is that the people needing to borrow this money are not in a position to pay back the loan. She questioned why the City would loan money and put these renters in a hardship situation rather than using a program which is already in place to seek a grant (which does not need to be paid back). She said a better option is to ensure the Welfare Department is fully staffed and to fully fund the Department. She added that it is important to inform the public of such programs.

Councilor Belken took issue with generalizing the public that would apply for such loans as "people who could not pay the money back". She said during this pandemic, groups of people are being impacted who have never been in this type of situation before. Lastly, if the City Council is not supporting this program than she agreed that the Welfare Department should be fully funded and staffed. She cautioned the City Council about not being prepared to have such a program in place before the need arises.

Mayor McCarley referred to an article in the newspaper following the April 21st meeting. She said if this (increased need for renter assistance program) becomes a problem, the Welfare Department must let the City Council know. The Welfare Department is already obligated to offer housing assistance to residents who qualify for that assistance. She reiterated that the Welfare Department would let the City Council know if this becomes a problem and such a program becomes necessary. Currently, landlords are not reporting any issues with collecting rent; however, the landlords do acknowledge it could become a problem in the near future if the situation does not improve.

City Manager Cox reiterated that the Welfare Department is legally obligated to assist residents who qualify for housing assistance; regardless

of whether or not the Welfare Department has the funding on hand or if it needs to seek a supplemental appropriation from the City Council. The Welfare Director has the statutory obligation/ability to get funds as needed.

Councilor Lachance said this program already exists through the Welfare Department as a grant program and that changing it from a grant program to a loan program would not be as effective. He agreed that the information should be made available to the public. He stated that he would not vote in favor of a resolution for housing relief microloans.

7. Communications from the Mayor

Mayor McCarley referred to the two proclamations, which are available in the City Council packet as follows:

7.1. Proclamation: Arbor Day April 24, 2020

7.2. Proclamation: Public Works Week May 17-23, 2020

Mayor McCarley asked the City Clerk to announce some important dates as they relate to the upcoming elections.

City Clerk Walters announced that the last day to change your party affiliation is June 2nd. The filing period for the September 8, 2020 Primary Election will be open from June 3rd to June 12th.

The two upcoming elections are as follows:

- September 8, 2020 State Primary Election
- November 3, 2020 State General Election/Presidential Election

8. Presentation of Petitions and Council Correspondence

No discussion.

9. Nominations, Appointments, Resignations, and Elections

No discussion.

10. Reports of Committees

10.1 Community Development Committee

10.1.1 Resolution Adopting a FY 2021 Rochester CDBG "Action Plan For The City Of Rochester, N.H." and Approving And Appropriating The FY 2021 Community Development Budget for The City Of Rochester [Click Here for Annual Action Plan](#) *second reading and consideration for adoption*

Councilor Lauterborn **MOVED** to read the Resolution by title only for a second time. Councilor Walker seconded the motion. The **MOTION CARRIED** by a roll call vote of 13 to 0. Councilors Hailey, Lauterborn, Abbott, Hutchinson, Rice, Lachapelle, Walker, Gray, Bogan, Hamann, Belken, Lachance, and Mayor McCarley voted in favor of the motion. Mayor McCarley read the resolution for a second time as follows:

RESOLUTION ADOPTING AN FY 2021 ROCHESTER CDBG "ACTION PLAN FOR THE CITY OF ROCHESTER, N.H." AND APPROVING AND APPROPRIATING THE FY 2021 COMMUNITY DEVELOPMENT BUDGET FOR THE CITY OF ROCHESTER

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF ROCHESTER, AS FOLLOWS:

I. That the Mayor and City Council of the City of Rochester, by adoption of this Resolution, hereby adopt the one-year FY 2021 (July 1, 2020—June 30, 2021) "Action Plan for the Community Development Block Grant (CDBG) Program for the City of Rochester, N.H.," as prepared and presented to the Mayor and City Council by the City of Rochester Office of Economic and Community Development, in connection with the City's CDBG program, including the goals, objectives, and concepts set forth therein;

II. Further, that a twelve (12) month Community Development Block Grant budget for the Office of Economic and Community Development for the City of Rochester in the total amount of Two Hundred Fifty Four Thousand Five Hundred Dollars (\$254,500.00) be, and hereby is, approved and appropriated for fiscal year 2021 (July 1, 2020—June 30, 2021). Included in said approval and appropriation are expenditures set forth in the one-year action plan of the Office of Economic & Community Development for the City of Rochester for the Community Development Block Grant program, in the following categories and amounts:

Administration and Planning	\$ 50,900.00
Public Service Agencies	\$ 38,175.00
Housing/Public Facilities/Infrastructure	\$ 165,425.00
Total	\$ 254,500.00

III. Further, that Nine Thousand Five Hundred Nine Dollars and Seventy Four Cents (\$9,509.74) in prior year unexpended CDBG funds be repurposed for use in the FY 2021 Action Plan year.

IV. Further, that Ninety Eight Thousand One Hundred Ninety Eight Dollars and Sixteen Cents (\$98,198.16) in the Job Opportunity Benefit revolving loan fund loan fund, plus the principal and interest received monthly from existing loans' repayments, be appropriated for continued use in the FY 2021 Action Plan year in granting loans to qualified small businesses that commit to the creation and/or retention of jobs made available to low to moderate-income Rochester residents.

This budget and the one-year action plan for FY 2021 may be reconsidered if federal funding is changed or if it is inconsistent with the total FY 2021 budget adopted for the Office of Economic and Community Development.

The sums necessary to fund the above appropriation in the amount of Two Hundred Fifty Four Thousand Five Hundred Dollars (\$254,500.00) shall be drawn in their entirety from the above-mentioned FY 2021 Community Development Block Grant from the federal government to the City of Rochester. The Finance Director is hereby authorized to create such line item accounts as shall be necessary to implement this Resolution.

Furthermore, in the event that federal funding for the above Community Development Block Grant budget is less than the total appropriation amount provided for in this Resolution, then, and in such event, the City Manager, or the City Manager's designee in the Office of Economic and Community Development, is authorized to adjust the amounts for the budgetary categories stated above, as well as for any planned grants and/or other expenditures made from within such budgetary categories.

Councilor Lauterborn said this adoption would allow agencies to receive funding starting on July 1, 2020; however, this resolution will be sent back to the City Council for an Amendment sometime in July because of the anticipated additional funding related to COVID-19 and the CARES Act. Councilor Lauterborn **MOVED** to **ADOPT** the resolution. Councilor Walker seconded the motion. The **MOTION CARRIED** by a unanimous roll call vote of 13 to 0. Councilors Hamann, Walker, Hutchinson, Belken, Lachance, Abbott, Gray, Rice, Bogan, Hainey, Lachapelle, Lauterborn, and Mayor McCarley voted in favor of the motion.

**10.1.2 Resolution Adopting a FY 2020-2025 CDBG
"Consolidated Plan for The City Of Rochester,**

N.H.” [Click Here for Consolidated Plan](#) *first reading and refer to public hearing*

- [Click for revised Consolidated plan with proposed amendments](#)

Councilor Lauterborn **MOVED** to read the Resolution by title only for a second time. Councilor Walker seconded the motion. The **MOTION CARRIED** by a roll call vote of 13 to 0. Councilors Belken, Gray, Hamann, Rice, Lauterborn, Hainey, Lachapelle, Hutchinson, Walker, Lachance, Abbott, Bogan, and Mayor McCarley voted in favor of the motion. Mayor McCarley read the Resolution for a second time by title only as follows:

RESOLUTION ADOPTING AN FY 2020-2025 CDBG
“CONSOLIDATED PLAN FOR THE CITY OF ROCHESTER, N.H.”

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF ROCHESTER, AS FOLLOWS:

I. That the Mayor and City Council of the City of Rochester, by adoption of this Resolution, hereby adopt the five-year 2020-2025 “Consolidated Plan for the Community Development Block Grant (CDBG) Program for the City of Rochester, N.H.,” as prepared and presented to the Mayor and City Council by the City of Rochester Office of Economic & Community Development, in connection with the City’s CDBG program, including the goals, objectives, and concepts set forth therein;

II. The budget for Year 1 of the FY 2020-2025 “Consolidated Plan for the Community Development Block Grant (CDBG) Program for the City of Rochester, N.H.,” which is contained and detailed in the *Resolution Adopting an FY 2021 CDBG “Action Plan for the City of Rochester, N.H.”*, may be reconsidered if federal funding is changed or if it is inconsistent with the total FY 2021 budget adopted for the Office of Economic & Community Development for the Rochester CDBG Program;

Furthermore, in the event that federal funding for any Community Development Block Grant budget is less than the total appropriation amount provided for in this Resolution, then, and in such event, the City Manager, or the City Manager’s designee in the Office of Economic & Community Development, is authorized to proportionately reduce the amounts for the

relevant budgetary categories, as well as for any planned grants and/or other expenditures made from within such budgetary categories.

Councilor Lauterborn explained that an amendment would be needed to replace the original plan with the revised consolidation plan. Councilor Lauterborn described the changes in the document (200 pages). She said there are no substantive changes to the plan; however, there are additions to the plan which add language relative to COVID-19 and emergency services responses to the pandemic as well as reasons why the language is needed in order to expend the funding. Councilor Lauterborn **MOVED** to **ADOPT** the resolution. Councilor Walker seconded the motion.

Councilor Lauterborn **MOVED** to **AMEND** the resolution by replacing the original plan with the revised consolidated plan which is outlined on this evening's agenda ([link](#)). Councilor Walker seconded the motion. The **MOTION CARRIED** by a roll call vote of 13 to 0. Councilors Rice, Walker, Belken, Bogan, Lachpaelle, Hamann, Lauterborn, Hainey, Abbott, Gray, Hutchinson, Lachance, and Mayor McCarley voted in favor of the motion.

Mayor McCarley called for a vote on the motion as amended. The **MOTION CARRIED** by a unanimous 13 to 0 roll call vote. Councilors Hainey, Abbott, Lauterborn, Hutchinson, Rice, Lachapelle, Walker, Gray, Bogan, Hamann, Belken, Lachance, and Mayor McCarley voted in favor of the motion.

Councilor Lauterborn stated that a new application has been created and sent out to the agencies who stated an interest in applying for additional funding due to COVID-19. The applications are expected to be received by the end of the month. As Chair of the Committee, she will call a meeting in order to discuss those applications. She anticipated that the request for funding would be sent to the City Council sometime in June.

10.2 Finance Committee

Mayor McCarley said there are no action items from the Finance Committee meeting. She said the Committee discussed the impact that COVID-19 has had on this year's budget as well as how it may impact the Fiscal Year 2021 budget cycle. She said the Finance Department indicated that the City is in good shape for now and will be seeking reimbursements from the State directly related to COVID-19 expenses. She said the City received a letter today relative to the City's eligibility for reimbursements up to approximately \$700,000.

Mayor McCarley said the Committee briefly discussed City assessments and how abatements may affect next year's budget. Mayor McCarley said the Assessing Department and Finance Department are working on budget adjustments and it will be discussed more at future Workshops.

11. Old Business

11.1 Ordinance Amendment Relative to Sewer User Rates *second reading and consideration for adoption*

Councilor Lachapelle **MOVED** to read the resolution for a second time by title only. Councilor Walker seconded the motion. The **MOTION CARRIED** by a roll call vote of 13 to 0. Councilors Belken, Hamann, Rice, Lauterborn, Hainey, Lachapelle, Hutchinson, Walker, Lachance, Abbott, Bogan, Gray, and Mayor McCarley voted in favor of the motion. Mayor McCarley read the resolution for a second time as follows:

ORDINANCE AMENDMENT RELATIVE TO SEWER USER RATE

THE CITY OF ROCHESTER ORDAINS:

I. That Chapter 200, Section 23 of the General Ordinances of the City of Rochester, entitled "Wastewater Rate and Fee Schedule", be amended by deleting the portion of said ordinance entitled "Quarterly Wastewater Rates" and by replacing such portion of the ordinance with the following:

200.23 Wastewater Rate and Fee Schedule

Quarterly Wastewater Rates

Residential Customers without exemption:	\$7.43	per 100 cu. ft. of water use
Residential Customers with exemption:	\$4.94	per 100 cu. ft. of water use
Commercial and industrial customers:	\$7.43	per 100 cu. ft. of water use
High Volume Customer (I.e. customers using more than 5,000 units **monthly)	\$6.68	per 100 cu. ft. of water use

Unmetered Residential Customers:	
Per quarter per unit without exemption:	\$229.47
Per quarter per unit with exemption:	\$114.72

Sewer-Metered Customers:	\$7.43 per 100 cu. Ft.
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Minimum Fee:

Per quarter per unit without exemption: \$34.31

Per quarter per unit with exemption: \$27.31

Septage Discharge: \$55.00 per 500 gal. or portion thereof

RV Septage Discharge: \$16.00 flat fee

Graywater Disposal \$30.00 per 2000 gal. or portion thereof

II. That this ordinance amendment shall take effect on ~~July 1, 2020~~ January 1, 2021

Councilor Lachapelle **MOVED** to **ADOPT** the resolution. Councilor Walker seconded the motion.

Councilor Walker questioned the need to pass these rate increases at this time. He asked if the vote could be delayed a few months. Mayor McCarley said she was going to suggest that the effective date be delayed until January 2021.

Councilor Lachance asked what law regulates that the user rates be paid for by those utilizing the services. Mark Sullivan, Deputy Finance Director, replied that the Water and Sewer Ordinances generate the basis for utilizing the user fees to cover the operating services and debt service.

Councilor Lachance asked if there is anything in the City's ordinances that prohibits the Council from utilizing other funds rather than using user fees (solely) to offset some of that cost. Mr. Sullivan explained that when the revenues do not cover the expenses of each fund, then money is taken from the General Fund and a deficit is shown in each of those funds. The money must be paid back to the General Fund. The auditors have said that the City must be cognizant of the deficit and not allow the figure to grow too large. He added that the City recently went out to bond for areas of the sewer and water departments and the deficit will continue to increase. This must be watched closely to make sure the deficit is not too great on the General Fund Cash needs.

Councilor Lachance stated that all residents receive benefits from the City's clean drinking water and sewer system. He gave examples of going out to eat and his own gym membership and said maybe it is time to rethink the way some of these services are funded, especially with the onset of COVID-19. Councilor Lauterborn disagreed with statements made by Councilor Lachance. She said the gym owner would pay for the water and sewer rates and the members would pay for a membership. She indicated that she owns a private septic tank and it cost thousands of dollars to replace such a septic tank if it fails. She added that she would not expect the taxpayers to cover that cost, as she does not pay for public water and sewer services.

Councilor Rice questioned if these resolutions could be postponed until a later date or is this tied in with the fiscal year budget cycle. Mayor McCarley stated that the Utility Advisory Board and the Finance Committee spent a lot of time working on bringing forth these proposed amendments because in the past the City Council has fallen behind in raising the user rates enough to cover the expenses. She confirmed that the rate increases can be delayed; however, they must eventually be raised as the Deputy Finance Director has explained. She indicated that if these rate increases were implemented on January 1, 2021, the first bills would not become due until about March 1, 2021. Councilor Rice wished to confirm that even if these Amendments passed this evening, the City Council could still seek to delay the implementation again if needed. Mayor McCarley replied that is correct; however, the Finance Department pulled together projections for the budget with the rate increases in mind, so there may be other adjustments that need to be made as a result.

Councilor Lauterborn said there is never a good time to increase the user rates and that is why the City is now in this position. The City has an obligation to maintain safe water and sewer systems. She spoke in favor of amending the effective date for January 2021.

Councilor Lachapelle **MOVED** to **AMEND** the Amendment to the City Ordinances effective date to January 1, 2021. Councilor Walker seconded the motion. The **MOTION CARRIED** by a 13 to 0 vote. Councilors Lachapelle, Belken, Gray, Hamann, Rice, Lauterborn, Hainey, Hutchinson, Walker, Lachance, Abbott, Bogan, and Mayor McCarley voted in favor of the motion.

Mayor McCarley called for a vote on the motion as Amended. The **MOTION CARRIED** by a vote of 9 to 4. Councilors Walker, Bogan, Lachapelle, Hamann, Lauterborn, Hainey, Abbott, Gray, and Mayor McCarley voted in favor of the motion. Councilors Rice, Belken, Hutchinson, and Lachance voted against the motion. The Amendment shall take effect as follows:

- **II. That this ordinance amendment shall take effect on ~~July 1, 2020~~
January 1, 2021**

11.2 Ordinance Amendment Relative to Water User Rates *second reading and consideration for adoption*

Councilor Lachapelle **MOVED** to read the resolution for a second time by title only. Councilor Walker seconded the motion. The **MOTION CARRIED** by a roll call vote of 13 to 0. Councilors Rice, Walker, Belken, Bogan, Lachapelle, Hamann, Lauterborn, Hainey, Abbott, Gray, Hutchinson, and Mayor McCarley voted in favor of the motion. Mayor McCarley read the

resolution for a second time as follows:

**ORDINANCE AMENDMENT
RELATIVE TO WATER USER RATE**

THE CITY OF ROCHESTER ORDAINS:

I. That Chapter 260, Section 17 of the General Ordinances of the City of Rochester, entitled "Water Rate and Fee Schedule", be amended by deleting the portion of said ordinance entitled "Quarterly Water Rates" and by replacing such portion of the ordinance with the following:

260.17 Water Rate and Fee Schedule

Quarterly Water Rates

Residential Customers without exemption:	\$5.83	per 100 cu. ft. of water use
Residential Customers with exemption:	\$2.52	
Commercial and industrial customers:	\$5.83	

Unmetered Residential Customers:

Per quarter per unit without exemption:	\$155.96
Per quarter per unit with exemption:	\$77.96

Minimum Fee:

Per quarter per unit without exemption:	\$22.14
Per quarter per unit with exemption:	\$17.76

II. That this ordinance amendment shall take effect on ~~July 1, 2020~~ January 1, 2021

Councilor Lachapelle **MOVED** to **ADOPT** the Amendment to the Water Ordinance. Councilor Walker seconded the motion. Councilor Lachapelle **MOVED** to **AMEND** the Amendment to the City Ordinances effective date to January 1, 2021. Councilor Walker seconded the motion. The **MOTION CARRIED** by a 13 to 0 vote. Councilors Hamann, Walker, Hutchinson, Belken, Lachance, Abbott, Gray, Rice, Bogan, Hailey, Lachapelle, Lauterborn, and Mayor McCarley voted in favor of the motion.

Mayor McCarley called for a vote on the motion as Amended. The **MOTION CARRIED** by a vote of 9 to 4. Councilors Hailey, Lauterborn, Abbott, Lachapelle, Walker, Gray, Bogan, Hamann, and Mayor McCarley voted in favor of the motion. Councilors Hutchinson Rice, Belken, and Lachance voted against the motion.

The Amendment shall take effect as follows:

- **II. That this ordinance amendment shall take effect on ~~July 1, 2020~~
January 1, 2021**

12. Consent Calendar

No Discussion.

13. New Business

13.1 Resolution for Supplemental Appropriation and Authorizing Borrowing Authority Pursuant to RSA 33:9 to the Department of Public Works (DPW) Sewer Capital Improvements Plan (CIP) Fund for National Pollution Discharge Elimination System (NPDES) Permit Technical and Legal Assistance in an amount not to exceed \$600,000.00 *first reading and refer to public hearing*

Councilor Lachapelle **MOVED** to read the Resolution by title only and refer the matter to a Public Hearing. Councilor Walker seconded the motion. The **MOTION CARRIED** by a roll call vote of 11 to 2. Councilors Lachapelle, Gray, Hamann, Rice, Lauterborn, Hainey, Walker, Lachance, Abbott, Bogan, and Mayor McCarley voted in favor of the motion. Councilors Belken and Hutchinson voted against the motion. Mayor McCarley read the resolution by title only for a first time as follows:

Resolution for Supplemental Appropriation and Authorizing Borrowing Authority Pursuant to RSA 33:9 to the Department of Public Works (DPW) Sewer Capital Improvements Plan (CIP) Fund for National Pollution Discharge Elimination System (NPDES) Permit Technical and Legal Assistance in an amount not to exceed \$600,000.00

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF ROCHESTER, AS FOLLOWS:

That the Mayor and City Council of the City of Rochester hereby appropriate an amount not to exceed Six Hundred Thousand Dollars (\$600,000.00) to the DPW Sewer CIP Fund for the purpose of paying costs associated with procuring technical and legal assistance related to the NPDES Permit, and further;

In accordance with the provisions of RSA 33:9, the City Treasurer, with the approval of the City Manager, be, and hereby is authorized to borrow the sum

of Six Hundred Thousand Dollars (\$600,000.00) through the issuance of bonds and/or notes, and/or through other legal form(s), such borrowing to be on such terms and conditions as the said Treasurer and City Manager may deem to be in the best interest of the City of Rochester. Such borrowing is authorized subject to compliance with the provisions of RSA 33:9 and Section 45 of the Rochester City Charter to the extent required, necessary and/or appropriate

To the extent not otherwise provided for in this Resolution, the Finance Director is hereby authorized to establish and/or designate such multi-year, non-lapsing accounts and or account numbers as are necessary to implement the transactions contemplated in this Resolution.

13.2 Resolution Authorizing Acceptance And Appropriation Of Certified Local Government Grant Award *first reading and consideration for adoption*

Councilor Lachapelle **MOVED** to read the resolution by title only for a first time. Councilor Walker seconded the motion. The **MOTION CARRIED** by a 13 to 0 roll call vote. Councilors Rice, Walker, Belken, Bogan, Lachapelle, Hamann, Hainey, Abbott, Lauterborn, Hutchinson, Lachance, Gray, and Mayor McCarley voted in favor of the motion. Mayor McCarley read the resolution by title only as follows:

RESOLUTION AUTHORIZING ACCEPTANCE AND APPROPRIATION OF CERTIFIED LOCAL GOVERNMENT GRANT AWARD

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF ROCHESTER, AS FOLLOWS:

WHEREAS, that a Certified Local Government (CLG) grant in the amount of Twenty Thousand Dollars (\$20,000.00) awarded to the City of Rochester is hereby accepted by the City of Rochester;

FURTHER, that the sum of Twenty Thousand Dollars (\$20,000.00) be, and hereby is, appropriated to a non-lapsing Special Revenue Fund to be created for the purpose of carrying out an updated survey of historic properties in the historic district for consideration for the National Register of Historic Places;

FURTHER, that the City Manager is authorized to enter into a grant agreement and any other contracts with the New Hampshire Division of

Historical Resources to receive and administer the grant funds detailed above;
and

FURTHER, to the extent not otherwise provided for in this Resolution, the Finance Director is hereby authorized to designate and/or establish such accounts and/or account numbers as necessary to implement the transactions contemplated by this Resolution.

Councilor Lachapelle **MOVED** to **ADOPT** the resolution. Councilor Walker seconded the motion. Councilor (last name) asked how much funding is included in the grant. Councilor Lauterborn confirmed that the amount was for \$20,000. The **MOTION CARRIED** by a roll call vote of 13 to 0. Councilors Bogan, Hailey, Lauterborn, Abbott, Hutchinson, Rice, Lachapelle, Walker, Gray, Hamann, Belken, Lachance, and Mayor McCarley voted in favor of the motion.

13.3 Supplemental Appropriation to the Rochester Business Microloan Program in the amount of \$50,000.00 (2nd round) *first reading and consideration for adoption*

Councilor Lachapelle **MOVED** to read the Resolution for a first time by title only. Councilor Walker seconded the motion. The **MOTION CARRIED** by a 12 to 1 roll call vote. Councilors Hamann, Walker, Belken, Lachance, Abbott, Gray, Rice, Bogan, Hailey, Lachapelle, Lauterborn, and Mayor McCarley voted in favor of the motion. Councilor Hutchinson voted against the motion.

**Supplemental Appropriation to the
Rochester Business Microloan Program in the amount of \$50,000.00**

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF ROCHESTER:

That the amount of Fifty Thousand Dollars (\$50,000) is hereby appropriated as a supplemental appropriation to the Rochester Business Microloan Program for the purpose of paying costs associated with the short-term, microloan program to be administered by the Director of Economic Development Special Reserve Fund to assist downtown businesses during the COVID-19 pandemic emergency. The funding for this supplemental appropriation shall be derived in its entirety from the Economic Development Fund.

To the extent not otherwise provided for in this Resolution, the Finance Director is hereby authorized to establish and/or designate such multi-year, non-lapsing accounts and or account numbers as are necessary to implement

the transactions contemplated in this Resolution. All projects will be assigned a unique account number for tracking and reported purposes.

Councilor Lachapelle **MOVED** to **ADOPT** the resolution. Councilor Walker seconded the motion. Councilor Lauterborn referred to the first round of the microloan program, which was approved by the City Council about a month ago. She said the original proposal set the lending rate at 75% of the Wall Street Journal (WSJ) Prime Lending Rate and now the application stipulates the lending rate is set at "0". The closing costs were to be kept to a minimum and now there are no closing costs included on the application. She said the application does not match what the City Council adopted a month ago. Michael Scala, Director of Economic and Community Development, stated that the original proposal was to set the lending rate at 75% of the WSJ, which is similar to what is offered through the Job Loan applications. He said after hearing input from the City Council and subsequent evaluation of some of the other programs being offered, it led to the decision to extend the first payment due date and to reduce the interest rate to "0". He said the interest rate would have been a fairly minimal cost over the course of the two years. He said these changes were made to the first loan funding application and this second proposal is being made with that same intention. Attorney O'Rourke agreed that the proposed plan was in the original agenda bill submitted by Mr. Scala; however, the original resolution and the resolution before the City Council this evening clearly state that the program would be administered by the Director of Economic Development, and it does not set an interest rate. He said the resolution gives the Director of the Economic Development Department the authority to set up this program. He said in addition, Mr. Scala took guidance from the Finance staff and the City Manager. Councilor Lauterborn read from the previous set of minutes as follows: *"Councilor Lauterborn had no objection to extending the due date of the first payment out to 120 days; however, she supported the language included` in the packet that stated these loans would be set for a 24-month term with a fixed APR interest rate set at 75% of the Wall Street Journal Prime Lending Rate. She questioned if this is what the Council is voting for now. Mayor McCarley said that is correct."*

Mr. Scala apologized and said he felt he did have that flexibility to adjust the rate if needed. He gave reasons why he made changes to the application. Mayor McCarley said she might have misunderstood when Councilor Lauterborn asked that specific question at the last meeting.

Councilor Lauterborn said this proposal was presented one way and then it was reported to the newspaper differently the next day. Mr. Scala again apologized for the misunderstanding and reiterated that he thought he had more leeway, especially during the pandemic, in order to assist small businesses.

Councilor Gray stated his objection to this proposal as he did with the first proposal. He gave reasons why he would vote against it. He added that the City is not a bank and this places the City in direct competition with the banks.

Councilor Gray asked if this funding was money generated from the Waste Management Host Fees and not by money generated from taxes. Mayor McCarley replied that is correct.

Mayor McCarley called for a vote on the motion. The **MOTION CARRIED** by a 7 to 6 roll call vote. Councilors Lachance, Belken, Hamann, Hainey, Lachapelle, Bogan, and Mayor McCarley voted in favor of the motion. Gray, Rice, Lauterborn, Hutchinson, Walker, and Abbott voted against the motion.

14. Other

Councilor Lachance asked if Councilor Hutchinson was seeking action on a resolution for the Residential Housing Relief Micro-Loan Program this evening. Councilor Hutchinson said a vote would be good to indicate support or not for the program.

Councilor Lachance **MOVED** to **ADOPT** the resolution. Councilor Hutchinson seconded the motion. Mayor McCarley requested that the resolution be shown on the screen for the public's view. City Attorney O'Rourke shared his screen with the proposed resolution and read the resolution in its entirety as follows:

**Supplemental Appropriation in the Municipal
Welfare Department Budget in the amount of \$500,000.00
for the Residential Microloan Program**

**BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF
ROCHESTER**

That the amount of Five Hundred Thousand Dollars (\$500,000.00) is hereby appropriated as a supplemental appropriation to the Welfare Department for the purpose of paying cost associated with the short-term microloan program to be administered by the Director of Municipal Welfare to assist City residents with housing cost during the COVID-19 pandemic emergency. The funding for this supplemental appropriation shall be derived in its entirety from the Unassigned Fund Balance.

To the extent not otherwise provided for in this Resolution the Finance Director is hereby authorized to establish and/or designate such multi-year non-lapsing

accounts and or account numbers as are necessary to implement the transaction completed in this Resolution. All projects will be assigned a unique account number for tracking and reporting purposes.

City Attorney said the City Council could move to accept what he read as a first reading and refer the matter to a public hearing. It must be referred to a public hearing since the funding is derived from the Unassigned Fund Balance.

Attorney O'Rourke said the City Council would need to suspended the rules in order to add the resolution to the Agenda and then the City Council could potentially accept what he read (resolution) into the record as the first reading. Councilor Rice **MOVED** to add the resolution relative to housing microloans to the Agenda. Councilor Hutchinson seconded the motion. The **MOTION FAILED** by a 9 to 4 roll call vote. Councilors Hutchinson, Rice, Belken, Lachance, voted in favor of the motion. Councilors Gray, Hainey, Lauterborn, Abbott, Lachapelle, Walker, Bogan, Hamann, and Mayor McCarley voted against the motion.

Mayor McCarley said during these difficult times of COVID-19, she hoped that the elected officials would not be hung-up on getting individual councilors on the record for various issues as the City Council works through COVID-19 together.

15. Adjournment

Mayor McCarley **ADJOURNED** the Regular City Council meeting at 7:45 PM.

Respectfully submitted,

Kelly Walters, CMC
City Clerk