

CITY COUNCIL MEETING – Monday, January 20, 2014

INAUGURATION OF NEWLY ELECTED MAYOR AND CITY COUNCIL

The City Clerk gave the Oath of Office to the following City Officials:

Mayor – 2 year term: Paul Grenier

Council – 4 year term: Michael Rozek, Diana Nelson, Russell Otis, Lucie Remillard

Council – 2 year term: Roland Theberge, Paula Benski, Peter Higbee, Denise Morgan Allain

Mayor Grenier called the Regular City Council Meeting to order at approximately 7:35 p.m. in the City Hall Council Chambers. The pledge of allegiance to the flag preceded roll call. Present: Councilors Remillard, Otis, Morgan Allain, Benski, Higbee, Rozek, Nelson and Theberge. Also present: James Wheeler, citizens and the press.

Minutes, Previous Meeting

Councilor Remillard moved with a second by Councilor Otis to accept the minutes of the January 6 Work Session and Regular Meeting. So moved, the motion carried.

Disbursements: Disbursement Summary Draft #1707 start date 1/7/2014 end date 1/17/2014 for a total cash disbursement of \$1,192,283.81. Councilor Nelson moved with a second by Councilor Morgan Allain to accept the disbursement summary and pay all bills as recommended by the Committee on Accounts/Claims. So moved, the motion carried.

PUBLIC COMMENTS – No Comments

UNFINISHED BUSINESS

1. Council Committee Reports – No Reports

NEW BUSINESS

2. Council Committees
Councilor Rozek moved with a second by Councilor Nelson to accept the proposed Council Committees for the next two years and to accept Councilors Rozek, Higbee, Benski and Otis on the Airport Authority. So moved, the motion carried.
3. Rules and Orders/Policies of the City Council
Councilor Remillard moved with a second by Councilor Rozek to accept the Rules and Orders/Policies of the City Council as amended. So moved, the motion carried.
4. Western Avenue Safety Concern Communication
Mr. & Mrs. Dave St. Cyr, 744 Western Avenue, have a deaf child and request a “Deaf Child” sign to be put up near their property since they have witnessed several vehicles speeding down that street which creates a potentially dangerous situation.
Councilor Remillard moved with a second by Councilor Otis to remand the matter to the Safety Committee for further review. So moved, the motion carried.
5. City Manager’s Report
Status of 120 West Milan Road
During a phone conversation with the Fire Chief in November 2013, the owner the property, Mr. Clorite, stated he was renovating the burned building at this location to make this his office for his campground. A final notice to comply was sent to Mr. Clorite’s address in Danbury NH, in November. The notice came back with no forwarding address. Since then, we have learned that Mr. Clorite purchased 610 Third Ave. in Berlin and now lives at this location. The Chief indicated that a final notice will be sent to this residence.

Gorham Paper and Tissue Communication of January 16, 2014

On January 16th, Brian McAlary, Vice President of Sales and Marketing issued the attached email communication. The communication briefly explains the steps that have been taken at Gorham Paper as a result of record high gas prices. The communication also makes it clear that the “Gorham mill is fully operational”.

Update on Burgess BioPower Operations

Chuck Grecco, Managing Director at Burgess BioPower reports that they have achieved regular operations and routinely generate significant amounts of power. The power is being transmitted on the grid and sold to PSNH under their power purchase agreement, and the plant is being operated by their own personnel. He also reports that like any plant of this size, there are some issues to work through before they reach optimal production, but the Burgess Team is working diligently and in concert with the contractor to resolve these issues, and they expect them resolved in short order. The plant has encountered issues that have impacted performance testing, but Mr. Grecco noted this is typical of a complicated facility such as Burgess BioPower. He noted that they continue to work on issues to optimize the facility's performance level but noted they have crossed a significant milestone with achieving regular and routine operations.

First Annual NCOHRV Coalition Annual Meeting

The 1st Annual Meeting of the North Country Off Highway Recreational Vehicle Coalition will be held on January 28th at Log Haven Restaurant in Millsfield. The meeting will be hosted by the Umbagog ATV Club. The Guest Speaker for this event will be Senator Jeff Woodburn.

Legislative Update

Following are two legislative update citations taken from the NHMA Legislative Bulletin 4, 2014:

HB 1156 - The House Judiciary Committee will hear testimony next week on **HB 1156**, which would make major changes to New Hampshire's Right-to-Know Law, several of which raise significant concerns. Among other things, the bill would require that notice of public meetings be posted at least 72 hours in advance (rather than 24 hours); require the posting of an agenda along with the meeting notice; require public notice of any public body's consultation with legal counsel or collective bargaining sessions; allow any person, **during a public meeting**, to inspect and request copies of all governmental records used during the meeting; and amend the law to say that a superior court shall (rather than may) invalidate any action taken at a public meeting held in violation of the law, no matter how insignificant the violation.

HB 1441 - On Tuesday the House Resources, Recreation and Development Committee heard testimony on **HB 1441**, which would repeal the timber tax. Only the prime sponsor spoke in support of the bill. Even those representing timberland owners urged the committee to recommend Inexpedient to Legislate on this bill. That appears to be the likely result.

Councilor Higbee moved with a second by Councilor Rozek to accept the City Manager's Report and place it on file. So moved, the motion carried.

6. Mayor's Report - Mayor's nominations:

BIDPA: Councilor Nelson for a term to expire the third Monday January 2018.

Planning Board Ex-Officio: Councilor Remillard for a term to expire the third Monday January 2018.

Councilor Rozek moved with a second by Councilor Higbee to accept the Mayor's nominations. So moved, the motion carried.

State of the City Address

I first want to welcome you to Berlin's Inauguration Ceremony of 2014. Serving in any capacity in municipal government today is both challenging and rewarding. In the past two years, Berlin and the surrounding communities have been tested in many areas. First of all, the business climate in the paper industry continues to be very challenging. The industry is still right sizing and mills are struggling to enter into different markets with grade mixes that allow for positive cash flow. Locally, Gorham Paper and Tissue continues to face difficult markets and winter energy prices that is straining the competitive edge that was developed only two years ago. GPT remains the largest private manufacturing employer here in the Androscoggin Valley and their continued success is of the utmost importance to the rebirth of our area. All of us in government must do everything in our control to address the energy issues that are exerting enormous pressure to their continued viability. I am in contact almost daily with DRED officials who are committed to making this mill a long term employer here into the future.

Money for continued city operations remains very difficult to raise. When I ran for Mayor four years ago, I pledged to Berlin's voters that I would be a fiscally responsible mayor. Our tax rate here in Berlin is very stable, with increases that have averaged about 45 cents per year since you elected me as your mayor and the dedicated members of our present City Council. Because of significantly lower property values than are found statewide, Berlin's tax rate must be firmly in: control to attract outside investment here. My pledge for the next two years is to continue the very focused and disciplined spending environment that has been a priority of this City Council. Having made my commitment to be frugal with public money, I still very much

support the efforts to beautify the downtown business district and make it a favorable place to attract and do business. Main Street is the heartbeat of our community, it needs attention and participation from everyone, stakeholders and residents alike. It took a number of years for some of the properties to appear aged but if we can fix one building or attract one new business this year, it will demonstrate to the outside world that Berlin is very much willing to do its own heavy lifting.

There have been quite a few bright spots in Berlin as well! The City Council hired Jim Wheeler to be Berlin's ninth City Manager on June 1. Jim brings to the job an enormous wealth of managerial experience, a keen sense of Berlin's internal operational structure, limitless energy and a low key but focused approach to his new job. I've known Jim Wheeler professionally for 15 years and I most admire his uncompromising integrity and loyalty to his hometown. It is supremely gratifying for me to know that Berlin's promising future is in the hands of such skilled leadership. The Federal Bureau of Prisons operations continue to ramp up to full occupancy. In the last 100 days, dozens of Berlin area people have been hired to take full time positions. Because of age restrictions, these folks are mostly made up of young people who can stay in Berlin/Gorham now instead of leaving. More needs to be done to keep folks in Berlin, but just maybe we're stemming the tide of the mass exodus of our best and brightest young people. Burgess Biopower, despite a difficult startup, is nearly ready to start commercial production. There are nearly 40 full time employees on payroll and will be a multi-million dollar annual purchaser of goods, services and raw materials here in Coos County. From the time the project was purchased from the original developer, the folks of Cate Street Capital have been excellent corporate citizens here in Berlin. Together, partnering with the City of Berlin, Cate Street Capital will play a major role in the re-development of Berlin's employment and tax base.

I will ask the Berlin City Council to take an active role in supporting the Northern Pass Project. Yes, there is stiff opposition to the project, not unlike what Berlin witnessed with Burgess Biopower and the Federal Bureau of Prisons. The developers of Northern Pass, in my view, got miserably failing grades for how they introduced the project to the affected communities and their continued resistance to engaging the public for solutions. Make no mistake however the power is needed to wean ourselves off of power produced by natural gas. The tax benefits and the hundreds of jobs that the construction will create will be a huge boon to all of Coos County. Our support of NP, however, should be conditional to the developer taking real measurable steps to help mitigate sensitive view shed issues. An honest dialogue among all stakeholders is what is needed if this project has a chance of surviving an ugly, lengthy and expensive court challenge. The stakes are very high, both immediate and long term.

Finally, I want to take a moment to thank each and every Berlin municipal employee in all departments for what you do, day in and day out. Your efforts do not go unnoticed, from working in poor weather, fighting fires in subzero temperatures, keeping our streets safe, helping a child through tough school assignments on personal time, to being a lifeline to our housebound elderly residents. You make Berlin proud, and for that, "Thank you for a job well done."

Councilor Rozek moved with a second by Councilor Morgan Allain to accept/file the Mayor's State of the City Address. So moved, the motion carried.

7. Public Comments – No comments

8. Council Comments

Councilor Theberge said he received a call from a constituent that Rocket Snowmobile is an eyesore with junk and excess vehicles. He asked if anyone noticed this and does Council need to take action. Mayor Grenier replied he did not notice anything. The City Manager will have the Code Enforcement Department take a look.

9. Adjournment:

There being no further business before the Mayor and Council at this time, Councilor Rozek moved with a second by Councilor Theberge to adjourn the regular meeting. So moved, the motion carried and Mayor Grenier declared the regular meeting closed at approximately 8:01 p.m.

A True Record, Attest:
Debra A. Patrick, CMC
Berlin City Clerk