

TOWN OF DERRY

**Town Council Meeting
Derry Municipal Center**

**May 19, 2011
Thursday - 7:30 p.m.**

Call to order

Salute to Flag, Warning of Fire Exits, Handicap Access, Turn off all Cell Phones and Pagers

Roll Call: Councilors Milz, Olbricht, Wetherbee, Fairbanks, Coyle, Chirichiello, and
Chairman Benson

Consent Agenda

Accepted

- 11-52** Acceptance of FY 2012 Budget Public Hearing & Budget Workshop Minutes – May 3, 2011
- 11-53** Acceptance of Minutes – May 3, 2011
- 11-54** Approve Veterans Credits and Exemptions, Elderly Exemptions, and Elderly & Disabled Tax Deferrals
- 11-55** Schedule Public Hearing – June 7, 2011 – Apply for and accept grant from the NH Highway Safety Agency for Red Light Enforcement

Chairman's Report –

Derry Sister City – Cherepovets -Tony Carnovale gave highlights from last year's trip with students. The Mayor of Cherepovets Moscow will be here in June for three days. He presented a plaque to the Town Council of the Twentieth Anniversary of Derry NH and Cherepovets collaboration.

Councilor Wetherbee thanked the people who turned out for the planting at the Shepard Conservation land. The next walk will take place at the Broadview Farm Conservation area on Saturday, May 21st at 8am.

Chairman Benson asked Council for thoughts on the summer schedule. Tentative schedule is June 7th & 21st, July 12th and August 9th.

Administrator's Report –

John thanked Mr. Carnavole for his enthusiasm and a letter has been sent to the Mayor inviting him to Derry.

John gave an update about the May 24th planned power outage by PSNH to install the new state of the art Scobie Pond substation into service. The required switching work requires a power outage of maybe 15 minutes instead of two hours depending on situation of change over.

Applied to NH LGC for an intern and Derry was selected.

The Derry Village Rotary & Derry Rotary are hosting a Vietnam Veteran appreciation dinner next Friday at the Boys & Girls Club. Please call Obrey Insurance at 432-3883 and give them your name if you wish to attend.

Public Forum – Non Agenda Items

Open Public Forum 7-0-0

No Public Input

Close Public Forum 7-0-0

Public Hearings

- 11-46** Authorize Town Administrator to apply for and accept grant funds associated with the NH Highway Safety project titled "Derry Pedestrian Patrols" and to execute on behalf of the Town all contracts or documents associated

Chief Garone gave an overview of this grant from NH Highway Safety. Derry Pedestrian Patrol to enforce the safety of pedestrian (i.e. crosswalks – j-walking, motorist ignoring pedestrian right of way) The amount of this grant is \$5,500.

Open Public Hearing 7-0-0

No Public Input

Close Public Hearing 7-0-0

Move to grant authority to Town Administrator John P. Anderson to apply for and accept on behalf of the Town grant funds associated with the NH Highway Safety project titled, "Derry Pedestrian Patrols" project number 11-07, 04 and to execute on behalf of the Town all contracts or documents associated. Motion by: Councilor Wetherbee, seconded by Councilor Coyle Vote: 7-0-0

- 11-47** Authorize Town Administrator to apply for and accept grant funds associated with NH Highway Safety project titled "Derry DWI/DUI Patrols" and to execute on behalf of the Town all contracts or documents associated

Chief Garone also reviewed this grant which will not exceed \$5,625.00 for DWI/DUI Patrols.

Open Public Hearing

No Public Input

Close Public Hearing

Move to grant authority to Town Administrator John P. Anderson to apply for and accept on behalf of the Town, grant funds associated with the NH Highway Safety project titled, "Derry DWI/DUI Patrols" project number 11-12, 02 and to execute on behalf of the Town all contracts or documents associated. Motion by: Councilor Wetherbee, seconded by Councilor Milz Vote: 7-0-0

New Business

- 11-56** Appointments to the DERRY REDC Loan Review Committee

Chairman Benson moved to appointment the following to the Derry REDC Loan Review Committee : Robert Gorham, Cathy Taylor, Carl Accardo, Lauren Neves, John Phelan to expire on March 31, 2012. Seconded by Councilor Milz Vote: 7-0-0

- 11-57** Vote – adopt final FY 2012 Budget and CIP

Frank Childs reviewed the list of Items that remain flagged and the Tax rate as it stands to this point is \$.03 below last year's tax rate:

- ***Assessing Division costs***

Councilor Coyle stated that the memo Council received makes it clear that Derry spends significantly more on the Town's Assessing costs. The area of expense is in contracted costs. This is unacceptable.

Move to reduce the Bottom Line Assessing by \$50,000. Motion by: Coyle, seconded by Fairbanks.

Discussion by Town Council: on the amount of assessment of parcels each year, problems within the department functions and review to fix the problem.

Frank Childs explained how he obtained the information in the memo and how the philosophy was established over the years for the procedure that is followed. There needs to be discussion with the Council on how thoroughly we want to do the assessment. Other efficiencies in the office can be looked at. There is time needed to look over how this department's functions of assessments are done.

Vote on motion: 3-4-0 (Milz, Wetherbee, Chirichello, Benson) motion failed

- ***NH Retirement System funding of Additional costs of \$272,000***

Chairman Benson gave options to the Council on this item: 1. Do nothing and see how it plays out at the State level, 2. Can be funded out of Fund Balance at that point in time, or 3. Appropriate \$272,000 in the FY2012 budget to cover state contribution change from 25% to 35%.

Motion for discussion to put \$272,000 into OMO and authorize the reallocation to appropriate departments. Motion by: Wetherbee, seconded by Milz.

Council asked to see the adjustment to the tax rate adding this \$272,000 to the OMO. The amount on the tax rate is approximately \$.11. Impact on a house value \$250,000 would be \$27.50 per year. It is still (\$102,783) under the tax cap.

Councilor Coyle was dismayed that the budget would be increased causing the tax rate to increase.

Discussion continued on the issue of the State retirement, and the monies with input from Council and Mr. Anderson.

Motion amended to add a cap of \$272,000 if not used for this purpose that it would not be used to increase the tax cap.

Adjust revenue with caveat the intent is the true increase would impact the tax rate. Ms. Mobsby stated, "At tax rate setting adjusting revenues to account for an excess appropriation so money is not raised by taxation to the residents if it not needed.

Amended Motion: To put \$272,000 into OMO for additional retirement system costs and authorize the reallocation to appropriate departments' once state legislation is finalized, recognizing that revenues would be adjusted during the tax rate setting process to reduce the amount to be raised by taxation if the actual expense is less than this amount. Motion by: Wetherbee, seconded by Milz. Vote: 4-3-0 (Coyle, Fairbanks and Chirichiello)

- ***Funding for improvement program to new publicly accepted roads***

Chairman Benson expressed that he is not advocating anything in this year's budget but feels it is necessary in the future to look at improvements for these roads. He is not looking to bring these roads up to Town Standards he feels that there are improvements that can be done so that they can become more standardized while not spending millions to do this. He is looking for Public Works to do a 10 – 15 year plan to address this.

Mr. Anderson explained that at he and Mr. Fowler's earliest look at a long term plan cost at today's prices, it would be approximately \$1.3M for this long term plan.

Mike Fowler explained his plan of needs to keep these roads accessible in the future. There are drainage issues. Residents call consistently in the spring for road maintenance on these newly accepted roads.

Councilor Fairbanks disagreed as these roads were accepted "as is". Ms. Fairbanks was looking for further clarification.

Mr. Anderson explained what he directed Mr. Fowler to look at. There are many calls from these residents and he is concerned with Town's equipment being damaged on these roads. Long term it is the responsibility of the administrators' to bring the Council a plan that says we can continue as is however these roads are going to continue to deteriorate and more money will eventually be needed to maintain these roads. The public's perception is even though the roads were accepted "As Is" the citizens expect the roads to be maintained as public.

Councilor Coyle's personal opinion is he would like to see a special assessment put on the residents of these roads who are going to benefit from it and to defray costs the town.

- ***Vote on reconsideration of use of underutilized Cable funds to support Town Budget***

Move to reconsider use of the Cable Franchise Fees in the amount of \$59,337. Motion by Fairbanks, seconded by Wetherbee Vote: 7-0-0

**Move to remove undesignated Cable Franchise Fee of \$59,337 from OMO reversing the action previously taken at the April 19, 2011 budget workshop.
Motion by Wetherbee, seconded by Milz Vote: 7-0-0**

Chairman Benson stated there will be workshops in the future to discuss how to use these funds going forward. This will eliminate these issues in the future.

- ***Derry Public Library request for additional funding for IT infrastructure***

Remove \$3,000 from the Derry Public Library Line Item#690002 and transfer to IT budget Line Item#690002 and add \$2,600 to the IT Line item#690002 for the use of the Derry Public Library. Motion by Wetherbee, seconded by Milz Vote: 7-0-0

Derry, NH Town Council FY 2012 Budget Adoption	
Date: May 19, 2011 (Thursday)	
Time: 7:30 p.m.	
Location: Derry Municipal Center, 3 rd Floor Meeting Room	
	Amount
I move to approve the FY2012 Budget (as set forth in the budget Presented to the Town Council on March 31, 2011 and at the Public Hearing on May 3, 2011, and as revised by the Council) as follows:	
Emergency Management	\$ 61,838
Executive	\$1,202,998
Finance	\$4,826,927
Fire Prevention & Emergency Services	\$10,657,937
Derry Public Library	\$1,113,955
Taylor Library	\$167,863
Planning	\$260,422

Police	\$8,568,591
Public Works	\$8,791,924
Town Clerk & Elections	\$172,498
Total for Town Services	\$35,824,953
Wastewater	\$3,384,039
Water	\$3,344,777
Cable	\$242,363
Total for Other Services	\$6,971,179
Total Budget	\$42,796,132

Motion by Councilor Wetherbee, seconded by Councilor Milz
Vote: 4-3-0 (Coyle, Fairbanks, and Chirichiello)

I further move that, in conjunction with the approval of the FY 2012 Budget, the Town Administrator is authorized to enter into Lease Agreements and to take any action related thereto for equipment whose acquisition is provided for in the budget via a Lease, as set forth below in the aggregate amounts show:

Police (in-car computer upgrades)	\$70,000
Police (portable & mobile radio upgrades)	\$275,000
Highway (pickup replacement)	\$35,000
Buildings & Grounds (pickup replacement)	\$35,000
Transfer Station (trailer replacement)	\$66,000

Motion by Councilor Wetherbee, seconded by Councilor Milz
Vote: 4-3-0 (Coyle, Fairbanks, and Chirichiello)

Derry, NH Town Council
Capital Improvement Plan Adoption

Date: May 19, 2011 (Thursday)

Time: 7:30 p.m.

Location: Derry Municipal Center, 3rd Floor Meeting Room

I move to approve the FY2012 Capital Improvement Plan (CIP) as set forth in the budget presented to the Town Council on March 31, 2011 and at the Public Hearing on May 3, 2011 and as reviewed by the Council in the amount of: **\$3,592,227**

Motion by: Councilor Wetherbee, seconded by Councilor Milz **Vote: 5-2-0**
(Coyle, Fairbanks)

Council Requests / Open Discussion

Councilor Olbricht informed Chairman Benson that he cannot meet on August 9th and Councilor Coyle cannot meet the first week in August.

Councilor Olbricht had a few things to discuss.

1. Wendy Wetherbee gave the Council a package and he would like to be fair and have this put on the agenda.
2. Question for Mr. Anderson is he is looking for an update on the 28TIF.

Mr. Anderson Pinkerton Tavern is continuing to work with a local school and an abutting owner to purchase the property.

Mr. Fowler the attorneys are completing closing for the land that needs coverage. The engineer has brought the plan to the DOT. The project should go out to bid around June 15th. There has been discussion with Mr. Childs on bonding they are targeting July 8th bid opening.

3. The meeting with Councilor Coyle and the auditor and himself is now scheduled for the 25th of May. They are going to meet with the Auditor as the Audit Committee to give the auditors some charges that they think should be incorporated into the audit and the internal control review.

Councilor Coyle suggested a Town Councilor should ask to put the question on the agenda for the Council in regards to Ms. Wetherbee's request.

Councilor Olbricht made the suggestion.

There was discussion on whether action should be taken or not on this request.

Councilor Fairbanks asked for a legal opinion on this on whether she is in violation of Section 8.7 in the Town Charter. She is putting out there that she will put in a 91A request out for every town employee that has ever used the town website in a supposedly inappropriate manner. There were statements made by Ms. Fairbanks which she states she can substantiate which caused an interaction with the Chairman with no resolve.

Note: Previous vote taken was done in conjunction for FY2012 Budget Adoption and Lease Agreements. Council must have a 2/3 vote for Lease agreement per Town Charter. This vote was rescinded and the corrected motion and vote is as listed below:

Motion to reconsider vote of FY2012 Budget Adoption and Lease Agreement as previously stated. Moved by Chirichiello, seconded by Wetherbee Vote: 5-2-0 (Coyle, Fairbanks)

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Total Budget

\$42,796,132

**Motion by Councilor Wetherbee, seconded by Councilor Milz
Vote: 4-3-0 (Coyle, Fairbanks, and Chirichiello)**

I further move that, in conjunction with the approval of the FY 2012 Budget, the Town Administrator is authorized to enter into Lease Agreements and to take any action related thereto for equipment whose acquisition is provided for in the budget via a Lease, as set forth below in the aggregate amounts show:

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Motion by Councilor Wetherbee, seconded by Councilor Milz Vote 5-2-0 (Coyle, Fairbanks

Adjournment 9:15 p.m.

Town Clerk

Date

Recording by Denise E. Neale Town Clerk
Reviewed by: John P Anderson Town Administrator & Frank Childs, CFO