

**CITY COUNCIL MEETING
JULY 11, 2011**

Call to Order

Mayor Merrifield called the meeting to order at 7:00 p.m. in the Council Chambers, Franklin City Hall. Salute to the Flag was said, led by Councilor Trudel.

In Attendance

Councilor Andreozzi, Councilor Sharon, Councilor Bowers, Councilor Audet, Councilor Feener, Councilor Trudel, Councilor Starkweather, Councilor Clarenbach, Mayor Merrifield, and City Manager Dragon.

Absent

Councilor Boyd

Public Hearings

Ordinance #01-12 – this ordinance establishes a \$15.00 filing fee to maintain a record of filings for Landlord’s Agent documents. Mayor Merrifield opened the public hearing. No one came forth to speak; the public hearing was closed.

Ordinance #02-12 – this ordinance concerns fees for athletic fields. Mayor Merrifield opened the public hearing. No one came forth to speak; the public hearing was closed.

Resolution #01-12 – this resolution concerns the proposed FY12 City Budget. Mayor Merrifield opened the public hearing. Resident Kathy Fuller came forth and thanked the Mayor and City Council for their continued support of the Outing Club and apologized for no one submitting a request in a timely manner for the Outside Agency Budget Workshop. She advised they will be making improvements on the rope tow which was not expected so they will be doing more fund raising. She also advised that in the fall they will be coming before the Council requesting approval to increase the rates, which has not been done in many years. Resident Leigh Webb advised he looked in Bill HB-2 and the wording

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about flood land compensation and he made some phone calls and have not yet received adequate answers to the fact that the money will actually be forthcoming. He stated he understands in this budget the revenue expectation is around \$38,000 and he questioned because of the wording in HB-2 whether any of the \$38,000 would be forthcoming or all of it. He stated someone from the DRA should be contacted and receive assurance that the \$38,000 would be forthcoming.

No one else came forth to speak. The public hearing was closed.

Ordinance #03-12 – this ordinance concerns an increase in the sanitary sewer disposal charge from \$5.30 to \$5.84. Mayor Merrifield opened the public hearing. Resident Leigh Webb stated he just wants to offer this for consideration. He stated obviously the City has some expenses that are in the future and this ordinance attempts to deal with some of the issues now rather than later. He questioned if the proposed .54 increase now as to original proposed .31 increase and then later another increase and again later another increase. He commented the metering is ongoing and we have no results yet and whether the City's share will increase or decrease. And, also the basin program has not yet voted for any increases. Manager Dragon advised they have voted on the chlorination project. Mr. Webb stated then this is a given expense. Mayor Merrifield commented depending upon the flow metering. Manager Dragon commented that the flow metering is a project that will take a couple of years to complete and could impact how the costs are allocated. Mr. Webb asked if the .54 cent increase is necessary now or can it be done in increments? Manager Dragon advised this size increase could be delayed or another year, maybe two but it all depends on when the construction begins and the first payment is due on the bond. She stated if they delay a portion of the increase one or two years then there would be a larger increase in the future. Mr. Webb asked if this increase is approved and goes into effect July 1, 2011, will there be a surplus of funds that does not need to be spent. Manager Dragon stated yes there would be a surplus and that is placed in the retained earnings fund which is like fund balance for the sewer system and it would generate modest interest and would benefit the users because it stays in

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that specific fund. Mr. Webb asked if that surplus could help offset increases that might be needed in the future and Manager Dragon advised that is correct. Councilor Bowers explained .31 cents of this increase is just to cover current operating costs, anything above the .31 cents is funds for additional projects. Councilor Bowers also commented that if we don't do a rate increase now the increase will be higher per year down the line.

No one else came forth to speak, the public hearing was closed.

Comments from the Public

None

Legislative Comments

None

City Council Acknowledgement

Councilor Bowers thanked the department heads for working together as a team, along with the Council and City Manager, concerning the budget and cost savings.

Councilor Andreozzi expressed her appreciation to some of the people that give of their time and money to make our Recreation Department more available and for resources to go further. She thanked Roger LeBlanc and Mojalaki. Mr. LeBlanc works with the Rec Department in offering golf lessons to more than a dozen kids at no cost to the City or the kids. She also thanked George Dzujna who coaches and gives tennis lessons to the kids.

Mayor's Update

Mayor Merrifield recognized John Ahlman, who has become a Master Road Scholar and Jerry Parent who has achieved Road Scholar I.

Approval of Minutes

Motion made by Councilor Feener that the Franklin City Council approves the minutes of the June 6, 2011 City Council Meeting and the June 7, 2011 Budget Workshop Meeting. Motion seconded by Councilor Bowers. All in favor, motion passes.

School Board Report

Mr. Al Warner, School Board Member provided the update stating the SAU Meeting will be held July 12, 2011 at 6:30 p.m. in the Library at the High School. He stated at the meeting they will be reviewing the strategic plan and the superintendent's evaluation. July 18 at 7:00 p.m. will be the School District Meeting at Paul Smith.

Ordinance #01-12

Motion made by Councilor Bowers that the Franklin City Council approves Ordinance #01-12, which establishes a filing fee in the amount of \$15.00 to maintain a record of filings for Landlord's Agent Documents as allowed under RSA 540:1-b. Motion seconded by Councilor Feener.

Councilor Andreozzi asked about how many filings does the City have and of those filings how many of those are multiple. Manager Dragon responded we have about 20 filings but we do not currently know how many of those are multiple and it is unknown how many more should have filed. Councilor Andreozzi commented that perhaps by having a fee you might deter people from filing.

Roll Call Vote:

Councilor Clarenbach – Yes

Councilor Starkweather – Yes

Councilor Sharon – Yes

Councilor Bowers – Yes

Councilor Feener – Yes

Councilor Trudel – Yes

Councilor Andreozzi - Yes

Councilor Audet – Yes

Ordinance #01-12 passes by a unanimous vote.

Ordinance #02-12

Motion made by Councilor Feener that the Franklin City Council approves Ordinance #02-12 League use of field fees. Motion seconded by Councilor Bowers.

Roll Call Vote:

Councilor Clarenbach – Yes

Councilor Starkweather – Yes

Councilor Sharon – Yes

Councilor Bowers – Yes

Councilor Feener – Yes

Councilor Trudel – Yes

Councilor Andreozzi - Yes

Councilor Audet – Yes

Ordinance #02-12 passes by a unanimous vote.

Resolution #01-12 FY12 Budget

Mayor Merrifield advised that generally the Council makes a motion to approve the Resolution and then make amendments if moved. Mayor Merrifield also advised that amendments will be needed because of the change in retirement.

Motion made by Councilor Feener that the Franklin City Council approves Resolution #01-12 by a roll call vote. Motion seconded by Councilor Sharon.

Mayor Merrifield directed the Council to the memo that was written by Manager Dragon and Director Milner concerning changes in retirement costs totaling approximately \$51,000. Mayor Merrifield requested an amendment to reflect that \$51,000.

Amendment was made by Councilor Bowers to reflect that change of \$51,000 in retirement costs and seconded by Councilor Feener.

Manager Dragon advised Director Milner has prepared the actual revised resolution which is before you tonight that takes into account the changes from the retirement system and the changes outlined in her memo of July 7th.

Councilor Andreozzi commented she has been trying to figure out the percentages with retirement and she asked if the numbers that are being put into the revised resolution for payment for retirement based on the current numbers or the numbers we think they will be adjusted to. Manager Dragon stated the numbers are based on the estimated numbers provided to the City regarding the retirement reform and they take in account transitioning into those numbers. Manager Dragon stated it has been a moving target, the numbers, one was in the Governor's budget, something different in the House, then revised in the Senate and then at the Committee of Conference they agreed on retirement reform that was included in HB-2. The retirement reform makes many changes and that retirement reform the City has been given estimated numbers, the City first received an estimated number sometime ago before things were finalized and then a July 7th we received updated estimated numbers and the revised resolution takes into account those updated estimated numbers. Councilor Andreozzi commented as of July 1, 2011, the pay period after the first of July, the amount that the City is going to have to pay for the month of July will be the high numbers; if the numbers change will they credit that back to the City. Manager Dragon responded, no they will not credit it back to the City. Councilor Andreozzi stated we don't know when they will adjust the numbers and it could be next December. Manager Dragon stated the higher numbers are in for the month of July, 30 days after the law changes we have the new numbers ready to go into effect, the transition period has been taken into account. Finance Director Milner stated the employee piece is offsetting a portion of what the State of New Hampshire use to pay on the retirement system for Group II eligible employees which is Police and Fire as well as teachers for the School District. It is not offsetting the complete amount so the State of New Hampshire did put a piece in their budget (3.7 million) to fund some of that. Between the two, there is a decrease in the piece that was figured that the City would pay a few weeks ago and then we experienced an increase as they did not calculate it properly or there

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was a change at the last minute which is the piece Manager Dragon addressed in her July 7th memo? Group I employees (non-teacher employees) 100% paid by the municipalities, and with the new calculations there is a slight decrease for Group I, non-teacher employees. Mayor Merrifield commented the effect of adopting this amendment by increasing our costs for retirement, given the guidance we have received from New Hampshire Retirement; adjustments are being made to the budget that will include the elimination of a Library Assistant and a smaller adjustment to the Manager's Contingency Fund. Councilor Audet commented he would like to know what the actual percentages, bottom percentage, that was used by the City on Group I and Group II. He further commented that when figures were first done, it was his understanding that 21% was used on Group I and 14% on Group II, and he asked the actual figures that the State has what is the difference in the percentage points. Finance Director Milner commented the rates have bounced all over the place in the last few months, when the budget was done the rates that are currently in your budget, it was 11.09% for Group I and 25% for Group II Police and 30% for Group II Fire. She stated right now with the changes where the employees have increased their contribution and with the recalculation that is taking place with the State of New Hampshire Retirement System, it should be that Group I non-teacher employees are 8.79%, Group II Police are 19.94% and Group II Fire is 22.89% of their salaries.

Vote on the Amendment: 7 in favor of the amendment, 1 opposed. Amendment passes.

Councilor Clarenbach expressed his concern that the budget has no capital. He commented that the Finance Director and Manager were advised of a change in the retirement, a change in retirement was adjusted by a reduction in the Library to make for that adjustment and he stated it is time the Council states there needs to be capital in the budget. He stated the Council has the ability to require capital to be put into the budget but currently we are only taking care of the operational side. He stated the Council needs to reduce the size of government in Franklin and Franklin cannot afford it. The Council needs to find a way to budget capital. Capital is just as important as anything else and capital has been

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neglected for a number of years because the City operates with a budget that is under the cap.

Councilor Audet stated he found some areas that he feels monies could be used for capital improvement, a new line called nuisance abatement which is \$10,000; contingency grant line which last year was \$20,000 which has now increased to \$50,000 and he suggested taking \$30,000 out of the contingency grant line and a contingency fund line used for unanticipated expenses used in lieu of a budget supplemental in the amount of \$46,000 so take \$30,000, take FBIDC out in the amount of \$45,000 for a total of \$105,000. He also suggested rather than keeping Bessie Rowell School in an amount of \$50,000, just to keep it going for expenses, and you take that \$50,000 and you have a total of \$155,000.

Councilor Bowers commented concerning Bessie Rowell School numbers are being gathered for informational purposes but the Council has not yet had any discussion or made any decisions concerning Bessie Rowell School. He also stated the budget grant line is a pass through, whatever grants the City receives, that line is used to pass the grants through, and it is a wash.

Councilor Bowers commented he appreciates what Councilor Audet is trying to do in putting capital into the budget but this is life under the cap. The City has had a cap for a long time and he stated he is not opposed to the cap but the City is so far behind on the basic maintenance that under a regular operating budget the City will never be able to catch up. He also stated he is very hopeful for Northern Pass but that is a ways off. He stated he is going to vote against this budget and his two reasons are there is no capital in it and also it is not an adequate budget to operate the City. Costs keep increasing and the City keeps going backwards. He stated in this budget not one road will be paved. He advised that many people he talks to would be willing to pay a reasonable increase in taxes to start taking care of some of the needs in the City. Councilor Bowers commented that the water/sewer systems are now going to get improvements but it is not the tax payer that is supporting that, it is the rate payers. Councilor Bowers stated this year the Council needs to look at the tax cap and make sure the cap is working for

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the community the way it needs to work. He did state that some communities that operate under the tax cap have exempted the capital improvement programs from the tax cap.

Councilor Audet stated he would like to contact the Norwood Group and have them do a market analysis, broker's opinion, on what Bessie Rowell School is worth and then put it on the market. Councilor Bowers responded the Council does need to have a discussion concerning Bessie Rowell School but right now the Council needs to vote on this budget or make changes to the budget.

Mayor Merrifield asked if any Councilors have a specific proposal they would like to make to amend the budget.

Councilor Clarenbach stated he would like to throw a couple ideas out, one the \$10,000 for building demolition perhaps doesn't need to be in the budget if you don't know if you have a building to tear down or not so that could be moved to capital; GIS currently two years is being carried FY10 and FY11, a contract has not been signed on either one and then there is \$25,000 new money, it is a three-year contract for \$50,000 and \$25,000 per year would cover that and place the \$20,000 (the two previous years when encumbered FY10 and FY11) to capital. Currently the City give \$27,985 to the Visiting Nurses, move that to capital. Those added up come to \$60,000. Also a reduction to FBIDC of \$20,000 If you include FBIDC, the amount of about \$77,000 for capital.

Mayor Merrifield requested that Councilor Clarenbach list the items again.

Amendment motion made by Councilor Clarenbach to take the following amounts listed in line items in the proposed budget and add the total of \$77,985.00 to capital improvements: \$10,000 – demolition; GIS - \$20,000; VNA - \$27,985; FBIDC - \$20,000. Motion seconded by Councilor Andreozzi for discussion.

Councilor Feener commented he would not be in favor of this as last year a proposal was made to reduce FBIDC down to \$25,000 and two weeks later it was
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put back in the budget. Councilor Bowers commented he will not vote in favor of the motion either, the GIS mapping is critical to what is coming up in the sewer department as well as in assessing. Councilor Clarenbach commented the GIS can still occur, there is \$25,000 in this budget, this are \$20,000 additional funds that are coming forth from the FY10 and FY11 budgets that were not expended. The contract is for \$57,000 over a three-year period. Councilor Sharon stated VNA is an organization that provides a service to our senior citizens that allows them to stay in their homes and if that organization were to fold because of a lack of funding it would mean that lots of our seniors could end up in a nursing home.

Vote on the Amendment: 6 no votes, 2 yes votes. Amendment fails.

Councilor Andreozzi inquired if FBIDC has signed a memorandum of understanding. Manager Dragon advised she does have an agreement with FBIDC which has been slightly modified from the one originally offered to the Council for consideration. Manager Dragon stated she will distribute copies of the signed agreement by Mr. Aberg but that she has not signed the agreement because a motion was made that the Council would review and approve it prior to any funding being released to FBIDC. Councilor Andreozzi asked if there has been any discussion with them concerning the moving of their office into City Hall so the \$9,000 they pay for rent could be reduced. Manager Dragon stated she did not discuss moving them into this building.

Councilor Bowers called a point of order and asked what this discussion concerning FBIDC has to do with the budget. Mayor Merrifield responded that FBIDC is a part of the budget and the Council may need more information to make a determination. Manager Dragon reviewed with agreement with the Council concerning FBIDC. She stated on Page 1, where it is requested the minutes be provided, they added a section they would be approved minutes. Financial statements will be provided after they have been approved by the Board of Directors. In the marketing and brochure, it states in cooperation with City

departments will update and create marketing brochures, the responsibility for the cost of printing all marketing materials shall be determined after budget. This agreement has been signed by FBIDC.

Councilor Feener calls the questions, seconded by Councilor Audet. 5 Yes Votes; 3 No votes. The question is called.

Roll Call Vote on Resolution #01-12, FY 12 City Budget as amended:

***Councilor Clarenbach – No
Councilor Sharon – Yes
Councilor Bowers – No
Councilor Starkweather – No***

***Councilor Audet – No
Councilor Andreozzi – No
Councilor Feener – Yes
Councilor Trudel – No***

Resolution #01-12 as amended fails: 2 Yes votes; 6 No votes.

Motion made by Councilor Andreozzi that Resolution #01-12 be reconsidered, motion seconded by Councilor Sharon. Vote: 3 Yes, 5 No. Motion to reconsider fails.

Ordinance #03-12 – this ordinance increases the Sanitary Sewer disposal Charge from \$5.30 to \$5.84

Motion made by Councilor Feener that the Franklin City Council approves Ordinance #03-12 by a roll call vote. Motion seconded by Councilor Bowers.

Councilor Andreozzi inquired if the whole group has approved UV Project. Director Sullivan advised the Basin Project is composed of 10 member communities, 8 of the 10 governing bodies gave authorization to their board members including Franklin to move forward with a positive recommendation to award the bid for the UV disinfection project which included 1.2 million dollars worth of grant s. It was a formal vote taken by the Board. Councilor Andreozzi requested an explanation of the rate increase. Director Milner advised that in the

current budget there is a .31 increase, which is a normal operating increase and in addition the Council wanted to level off the larger increase that will be coming for the UV project. In order to level it off, it is an additional .48 for the UV project so it was decided to do approximately half which is .23 this year and .23 next year so the funds would meet the bond payment. Councilor Feener commented it makes sense to do the increase gradually. Mayor Merrifield commented that this rate will be effective July 1, 2011 and the Council is voting on this retroactively since it is July 11, 2011 and he questioned if that was acceptable and was informed that it is okay.

Roll Call Vote:

Councilor Clarenbach – Yes

Councilor Starkweather – Yes

Councilor Sharon – Yes

Councilor Bowers – Yes

Councilor Feener – Yes

Councilor Trudel – Yes

Councilor Andreozzi – Yes

Councilor Audet – Yes

Ordinance #03-12 is approved by a unanimous vote.

Discretionary Preservation Easement/296 Webster Lake Road

Motion made by Councilor Bowers that the Franklin City Council schedules a public hearing on Monday, August 1, 2011 beginning at 7:01 p.m. in the Council Chambers, Franklin City Hall concerning a Discretionary Preservation Easement application for 296 Webster Lake Road. Motion seconded by Councilor Feener. All in favor, motion to set public hearing passes.

Ordinance #04-12 – this ordinance concerns revisions to Chapter 347 Personnel Policies and Chapter 327 Internet and Email Usage.

Motion made by Councilor Feener that the Franklin City Council sets a public hearing for Monday, August 1, 2011 at 7:05 p.m. in the Council Chambers, Franklin City Hall regarding the adoption of Ordinance #04-12 revising Chapter 347 of the City Code, Personnel Policies and Chapter 327 of the City Code, Internet and Email Usage. Motion seconded by Councilor Bowers. All in favor.

Motion made by Councilor Feener that Ordinance #04-12 be read in title only. Motion seconded by Councilor Bowers. All in favor.

Mayor Merrifield read into the record in title only: Ordinance #04-12

Ordinance #05-12 - Revisions to the Disorderly Residence Ordinance

Motion made by Councilor Feener that the Franklin City Council schedules a public hearing on Ordinance #05-12 for August 1, 2011 at 7:08 p.m. in the Council Chambers, Franklin City Hall regarding revisions to the Disorderly Residence Ordinance. Motion seconded by Councilor Bowers. All in favor.

Motion made by Councilor Feener that Ordinance #05-12 be read in title only, seconded by Councilor Bowers. All in favor, motion passes.

Mayor Merrifield read into the record in title only: Ordinance #05-12

City Council to consider Tax Deed for 73 Elkins Street, Map 117, Lot 118

Councilor Feener made a motion for discussion that the Franklin City Council accept the tax deed for Map 117, Lot 118-00, motion seconded by Councilor Sharon.

Councilor Feener requested what are the options if the City does not take the property. Manager Dragon commented that the City does not have a lot of options. An inspection has been done and the property was condemned in 2004 and boarded up in 2007. The man who owned the property is now deceased and there is no family claiming the property. The building is falling down. If the City were to take the property, the \$10,000 nuisance abatement line in the budget would come into play. A quote was given by Edmunds of \$11,000 to prep the site, demolish the building and haul away the structure. Director Sullivan feels that cost could be cut almost in half using our own personnel to do a lot of the work. In addition, there is an asbestos removal and were given a quote of \$2,998.00 so

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together it can be done under the \$10,000. Manager Dragon stated the building could be left and do nothing but there is not anyone who will step forward and the property will continue to deteriorate. Councilor Feener questioned the liability of the City. Manager Dragon commented when the City takes a property it becomes the City's responsibility so the City would not want to take it and let it sit there. If the City does not take the building, there is no liability to the City in terms of someone going on the property except the neighbors might get upset that nothing is happening to the building and it is a nuisance in the neighborhood. If the City took the building, demolished it and cleaned up the property it would be an improvement to the neighborhood and sell the property as a buildable lot and get it back on the tax roll. Councilor Andreozzi inquired that under the current zoning would this be a buildable lot. Manager Dragon stated they would have to get a variance, however, one of the things that might happen if one of the abutting property owners might be interested in the purchase of the property or it could be that the City takes the building down and no one is interested and it simply remains an empty lot. Councilor Andreozzi stated she will vote no on this motion but would change her mind if we had an abutter that expressed interest in purchasing the lot. She stated otherwise the City would be spending \$10,000 to have a vacant lot that would probably become a trash dump or some other kind of nuisance that the City would be responsible for because the City would own the lot. Manager Dragon commented one more thing to consider that what Councilor Andreozzi has stated could happen, however, the problem really is that the City has properties like this that need to be addressed and by not addressing them it does not necessarily set a good example for the people in the neighborhood who are trying to maintain their property or increase their own property values. Councilor Feener commented there is no real desirable outcome for the City with this situation, but perhaps being a little more proactive with this property is the most desirable because the property is so run down and not on the tax role and if the City takes the building down, there would at least be an opportunity to maybe get it on the tax role.

Chief Smith commented that he was one of the City officials that went through the building. The building is definitely a blight on the neighborhood, there is a

good portion of the building that is falling down, there's wild animals living inside the building, there is a number of health issues that go along with that property and he stated he does not feel it would be appropriate to leave it there and not take responsibility for it. Councilor Audet suggested placing an ad and sell it to a contractor who would build on it and have a stipulation that they have to clear that up immediately. Chief Smith stated he does not believe it would meet setback requirements, when that building was built; it was built right on the lot line. Chief Smith commented that when they were there doing their inspection there was one neighbor that came up and was very interested in seeing if they could incorporate the lot into their property. Councilor Andreozzi commented she feels this can wait. She stated the City has a very tight budget, possible revenues that will not happen and spending \$10,000 to own another vacant lot as we have no way of knowing what might happen. Councilor Audet suggested contacting the abutters; they might give the City some money for the property and even clean the mess up.

Vote on accepting the tax deed: 5 Yes Votes; 3 No Votes. Motion passes.

Quitclaim Deed to Transfer Property off Lake Shore Drive

Motion made by Councilor Clarenbach that the Franklin City Council authorize the Mayor to sign a Quitclaim Deed to transfer the property described as Tax Map 031, Lot 002-00 back to Joel and Sara Doherty, releasing the City's interest in the property. Motion seconded by Councilor Starkweather. All in favor, motion passes.

Other Business

Mayor Merrifield informed the Council that he spoke with the City Solicitor by phone and he advised that as long as no one has made a motion to limit reconsideration, the budget may be reconsidered as many times as wanted, and there has been no motion made to limit reconsideration. Mayor Merrifield reviewed what the non-passing of the resolution concerning the FY 12 budget

means, the budget that City Manager Dragon presented to the Council will become law July 27th unless some other action is taken.

Councilor Clarenbach asked for a point of order for clarification. Councilor Clarenbach stated the budget that was presented to us did not contain all the changes that have been made since the first packet. Mayor Merrifield stated that is his understanding and he would add that the Council could make adjustments between departments and Manager Dragon can make adjustments on her own within departments after the budget becomes law. Manager Dragon commented there could be two options, a resolution could be brought to the Council at the next meeting moving the lines according to the amended resolution that was presented tonight or she stated she can over-extend and under-extend and run a separate excel sheet to get to the bottom line budget. Councilor Andreozzi clarified that when the Council voted for the amendment that was on the table, that was an amendment to the budget, since the budget did not pass, that amendment is not in effect either. Mayor Merrifield responded that is correct.

Councilor Feener commented that if there are to be no more reconsiderations, he would like to have the Council give the City Manager some directions on how she should proceed with all deductions she has shown us to be within the cap. Councilor Feener commented a resolution would be better than the other option of over and under extending. Councilor Bowers stated he agrees.

Motion made by Councilor Clarenbach to reconsider Resolution #01-12, motion seconded by Councilor Andreozzi, motion to reconsider passes. 5 Yes votes; 3 No votes.

Mayor Merrifield advises the motion to adopt Resolution #01-12 is before the Council again.

Councilor Bowers objected to the motion stating he does not believe it can be brought up again.

Mayor Merrifield inquired if there are any changes or discussion to the amended Resolution #01-12. Councilor Andreozzi called a point of order stating she believes the amendment would have to be voted on again as well. Mayor Merrifield responded an amended motion was defeated. Councilor Clarenbach

commented that for him in order to approve this budget it needs to have capital in it.

Motion made by Councilor Clarenbach to take \$20,000 from GIS which is \$10,000 from FY 10 and \$10,000 from FY 11 and place the \$20,000 in capital. Motion seconded by Councilor Audet.

Councilor Andreozzi asked for information concerning the GIS contract and what would be the amount of monies needed for the next 2 years. Manager Dragon stated she believes the \$20,000 could be restricted but it would make next year's payment instead of being \$13,500 it would be \$13,500 plus the \$20,000 because we would have to catch up. Councilor Andreozzi requested information concerning GIS and Municipal Services. Manager Dragon stated that EPA has required a different level of mapping of our systems, and GIS would create what we need which is called layers. It not only meets the tax map requirements, it meets some of the requirements that EPA is requiring concerning the mapping of the City's systems.

Councilor Bowers stated this just puts the payment off for a year and the City would be in the same boat next year. Councilor Feener commented the \$20,000 has been encumbered for the last two years for the purpose of using for GIS; can an encumbrance be changed after it has been done. Manager Dragon stated she would take \$5,000 from the \$25,000 and use the encumbrances. Councilor Clarenbach commented that you cannot carry over funds if you don't have a signed contract so both \$10,000 should go back into the unrestricted funds as there was no contract. He also commented this is what the Council got upset with the school for. Manager Dragon stated you can carry over money with a purchase order or an estimate; it does not have to be a contract. Secondly, this was done before the end of the year and it is not the same situation that Councilor Clarenbach was referring to at the school, it was done properly and in the correct time frame. Councilor Andreozzi clarified, GIS is asking for \$25,000 for the first year.

Vote on the \$20,000 from GIS to capital amendment: 3 Yes; 5 No Amendment fails.

Mayor Merrifield commented that in this budget we are losing a couple of employees and he asked if the Council wants to discuss any possible ways to retain those employees. He stated some thoughts that he had were the custodial agreements for various buildings, manager contingency and the work stations that are being funded in an amount of \$18,000. Councilor Feener commented that even if you eliminate the contract with the cleaning company, you still have to come up with the costs for cleaning and building and the supplies needed to do so. Mayor Merrifield offered the fact that the Fire Department cleans their own building. Councilor Bowers commented that this has been discussed before and it was determined it would cost the City more for us to do the cleaning than the company we have a contract with.

Councilor Audet calls the question, seconded by Councilor Feener. All in favor, the question is called.

Roll Call on Resolution #01-12 as amended:

***Councilor Clarenbach – No
Councilor Trudel – No
Councilor Bowers – No
Councilor Feener – Yes***

***Councilor Starkweather – No
Councilor Audet – No
Councilor Andreozzi – No
Councilor Sharon – Yes***

Vote: 2 Yes Votes; 6 No Votes - Resolution #01-12 as amended fails again.

Councilor Andreozzi suggested that the Councilors that have voted no on the budget and have not given their reasons to express those and perhaps everyone could think on the comments for a week or so and come up with some kind of alternative solution.

Mayor Merrifield stated he would entertain a special meeting if the Council desires to do so.

Councilor Starkweather commented that the City had additional funds for two years that came in from registration, how much is left in that. Manager Dragon commented that next year the revenues for highway block grant will be decreased by \$34,000 because of the elimination of the \$30.00 surcharge but that reduction will be in next year's budget. Councilor Starkweather stated he was referring to the \$5.00 fee initiated by the City. Manager Dragon stated that is about \$69,000. Councilor Starkweather stated part of our capital improvement is roads so can we take monies from that fund and put it into capital improvement/roads.

Councilor Clarenbach stated he doesn't see the point for another meeting and even the CIP meeting that is scheduled for tomorrow night seems futile at this point.

Manager Dragon stated she will give all Councilors and the Mayor a copy of the resolution that she was requesting be adopted at the next Council meeting which would move the money from line to line to make the corrections for retirement, for LGH contract and a number of things that have changed over the budget process. She stated it would be her intent to begin implementation of some of these things related to personnel layoffs as soon as possible, otherwise the deficit grows larger.

Manager's Update

Contingency grant line the City received \$100 from Hannaford towards the CO2 detector; \$300 from Golden Crest toward the CO2 detector; Wal-Mart \$500 for the CO2 detector; CCNTR \$100 incentive for Heal Policies and LGC \$500 for health and safety programs.

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Bessie Rowell School – Manager Dragon received a message from the school that they would be using the school for summer programming. She stated she then had Brian Barry meet with their buildings and grounds people and he got the numbers in regard water, sewer, electric, and heating and what it costs currently to run it as a school. Mr. Barry was not able to get any estimates for closing the building. She advised she gathered some additional information and took a tour of the building with the Finance and Recreation Directors. They were very gracious in telling us the roof is new, the windows are new and the building is in very good shape. She also advised that Council Audet had recommended she contact Norwood about listing the site as a possible sale of the building. She contacted Norwood and gave them all the information she had on the building, the tax card and map. She talked with the man that had sold the site in the Industrial Park so he is familiar with Franklin and stated he would happy to do a tour of the building and offer a written proposal of best uses of the building. Because it is located in a residential zone and it is an odd building that the best use for it would be multi-housing. She asked them if they realized that we are closing down a school and told them Franklin has so much affordable housing right now and Franklin attracts from all over. Norwood has not come up to take a look at the building yet but they will and will put all their recommendations and comments in writing. She advised she is looking at all options including the Rec and outside agencies and has been looking at possibly moving a variety of agencies into the building. She requested a work session to discuss various ideas and options concerning the Bessie Rowell School. Manager Dragon will research some dates and forward to the Mayor and Council and see what would be the best date and time for everyone.

Manager Dragon advised that the Ski Areas has requested that they take the light poles from the lights that were replaced on Central Street as they need to replace the rope tow. Manager Dragon stated the Council had authorized the sale of the poles and she is asking if the Council would like to give the poles to the Memorial Ski Area.

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Motion made by Councilor Feener that the Franklin City Council authorize the City Manager to turn the light poles over to the Ski Area. Motion seconded by Councilor Bowers.

Mrs. Kathy Fuller, Treasurer for the Ski Area advised the State is requiring more lights and a replacement of the poles.

All in favor, motion passes.

Motion to adjourn made by Councilor Feener, seconded by Councilor Audet. All in favor, meeting adjourned at 10:15 p.m.

Respectfully submitted,

Sue E. May