

CITY COUNCIL MEETING  
MAY 5, 2014

**Call to Order**

Mayor Merrifield called the meeting to order at 6:00 p.m. in the Council Chambers, Franklin City Hall. Salute to the Flag was led by Councilor Cournoyer.

**In Attendance**

Councilor Barton, Councilor Clarenbach, Councilor Starkweather, Councilor Feener, Councilor Desrochers, Councilor Cournoyer, Councilor Giunta, Councilor Dzujna, City Manager Dragon and Mayor Merrifield.

**Absent**

Councilor Boyd

**Public Hearings**

**Ordinance #05-14** – This ordinance is an amendment to Chapter 61, Article 1 (Removal of Municipal Officials) and Article II (Defense & Indemnification). Mayor Merrifield opened the public hearing, no one came forth to speak; the public hearing was closed.

**Ordinance #06-14** – This ordinance would delete Chapter 309-6 Smoking in designed areas of the City Code. Mayor Merrifield opened the public hearing, no one came forth to speak; the public hearing was closed.

**Renewal of Proposed Franchise Agreement with MetroCast** – Mayor Merrifield advised that the agreement the City of Franklin is operating under currently and the proposed agreement are both non-exclusive so it is possible for another cable company to come into Franklin but they would have to purchase or build all the wires. The Mayor further stated that many people believe that the fees that were charged as customers are under the control of this contract and that is not really the case, the fees are regulated. Mayor Merrifield opened the public hearing to the public. Resident Leigh Webb inquired if this agreement gets the City any closer to having live and/or delayed feeds on recording public meetings. Manager

Dragon responded this agreement gets the City in a position to do that in the future but there is still some funding required; this agreement allows for an origination point in City Hall and one at the School and allows for a technology grant which could be used for the equipment and installation of the origination point. In this new agreement the City has the ability to broadcast to Franklin subscribers only for the most part. No one else came forth to speak; the public hearing was closed.

**Resolution #10-14** – This resolution concerns the awarding of a Working Dog Foundation Grant in the amount of \$7,000 to the Franklin Police Department. Mayor Merrifield opened the public hearing; no one came forth to speak; the public hearing was closed.

**79-E Tax Relief** – Under the Mountain, LLC has purchased the property at 354 Central Street, Map 117, Lot 159 formerly known as Northway Bank. They are requesting Tax Relief under Chapter 79-E, Community Revitalization Tax Relief Incentive. Mayor Merrifield advised the term of this agreement would be 5 years and the tax relief is only for the increase in property tax assessment due to improvements of the property. Mayor Merrifield opened the public hearing; no one came forth to speak; the public hearing was closed.

### **Comments from the Public**

Mrs. Christina Dzujna speaking for the Animal Shelter invited everyone to attend the Shelter's first annual 5KRun/Walk beginning at 10:00 a.m. on Sunday, May 25, 2014 at Paul Smith School. The registration fee is \$25.00 until May 19, 2014 and then the fee will increase to \$30.00.

Parks and Recreation Director Alpers reminded everyone that this Saturday, May 17<sup>th</sup> is Community Day in Franklin. The parade begins at 10:00 a.m. at the High School and parade down to O'Dell Park and then the festivities will begin.

Representative Webb commented as a member of Choose Franklin he hopes that all the City's elected officials will participate in the parade.

### **Legislative Comments**

Representative Leigh Webb advised that SB-370 concerning flood reimbursement to those properties that were in flood control properties. For years the State of New Hampshire paid the 70% that other lower states were not paying. And then New Hampshire stopped doing it. There was a settlement and unfortunately the Finance Committee at the House has decided this settlement and put it into the General Fund instead of contributing it to the food control communities. Representative Webb advised that he will be voting against this bill. SB-281 is a wind-turbine energy bill concerning how to site wind-turbines and does have implications in our energy projects such as Northern Pass and he wondered if the Council has any input. It was suggested to speak with Stuart Tracey. Representative Webb advised that May 12 the Merrimack County delegation will be meeting and the increase of salaries for the Sheriff, County Attorney and Register of Deeds will be discussed which would be 1% each year for the next couple of years.

### **City Council Acknowledgement**

Councilor Dzujna thanked Cub School Troop 842 as 10 members and their parents came out to the Library and helped do a spring cleanup around the library. Councilor Dzujna thanked Tim Morrill, Morrill's Landscaping, for putting all the Welcome to Franklin signs back after being redone by the Art Class at the High School. Councilor Dzujna also advised that in the HIPPO magazine which came out with 50 favorite restaurants and one of those named was Franklin's own Ralph and Jo's.

### **Mayor's Update**

Mayor Merrifield stated that due to the number of items on the agenda he would skip his update.

### **Approval of Minutes**

***Motion made by Councilor Feener that the Franklin City Council approves the minutes of the April 7, 2014 City Council Meeting; motion seconded by Councilor Clarenbach. Minutes approved; one abstention.***

### **School Board Report**

Due to a conflict there was no report.

### **Request for Tax Relief under Chapter 79-E**

***Motion made by Councilor Desrochers that the Franklin City Council, based on the findings listed, approve the request for five (5) years of tax relief for the renovations proposed by Under the Mountain, LLC for the property at 354 Central Street with the conditions of approval as outlined, or as may be modified by a vote of the City Council. Motion seconded by Councilor Cournoyer.***

Councilor Feener expressed thanks to the Frost Agency for taking on this endeavor and the improvements that are being made to the building. He further commented he hopes that will be an inspiration to other businesses in the downtown area to make improvements to their buildings.

Councilor Giunta also expressed his thanks to the Frost Agency and hoped the word would be spread that Franklin is a business friendly City willing to make these offerings so that other business will come to Franklin.

***All in favor, motion passes.***

**Ordinance #05-14** – this ordinance concerns changes to Chapter 61, Article I and Article II

**Motion made by Councilor Feener that the Franklin City Council approves Ordinance #05-14 amending Chapter 61 of the Franklin City Code by a roll call vote. Motion seconded by Councilor Desrochers.**

**Roll Call Vote:**

<b>Councilor Clarenbach – Yes</b>	<b>Councilor Dzujna – Yes</b>
<b>Councilor Giunta – Yes</b>	<b>Councilor Cournoyer – Yes</b>
<b>Councilor Desrochers – Yes</b>	<b>Councilor Feener – Yes</b>
<b>Councilor Starkweather – Yes</b>	<b>Councilor Barton – Yes</b>
<b>Councilor Boyd – Absent</b>	

**All in favor, Ordinance #05-13 passes.**

**Ordinance #06-14** – this ordinance concerns the deletion of Chapter 309-6 Smoking in designed areas of the City Code.

**Motion made by Councilor Feener that the Franklin City Council approves Ordinance #06-14 which deletes Chapter 309-6 of the Franklin City Code by a roll call vote. Motion seconded by Councilor Desrochers.**

**Roll Call Vote:**

<b>Councilor Clarenbach – Yes</b>	<b>Councilor Dzujna – Yes</b>
<b>Councilor Giunta – No</b>	<b>Councilor Cournoyer – No</b>
<b>Councilor Desrochers – Yes</b>	<b>Councilor Feener – Yes</b>
<b>Councilor Starkweather – Yes</b>	<b>Councilor Barton – No</b>
<b>Councilor Boyd – Absent</b>	

**Ordinance #06-14 passes: 5 Yes Votes, 3 No Votes.**

**MetroCast Renewal Agreement**

**Motion made by Councilor Desrochers that the Franklin City Council approves the proposed MetroCast Franchise Renewal Agreement**

***through December 31, 2023 between the City of Franklin and MetroCast. Motion seconded by Councilor Cournoyer. All in favor; motion passes.***

**Resolution #10-14** – this resolution concerns the Working Dog Foundation Grant in the amount of \$7,000.

***Motion made by Councilor Feener that the Franklin City Council approves Resolution #10-14 regarding a supplemental appropriation in the amount of \$7,000 representing a Working Dog Foundation Grant by a roll call vote. Motion seconded by Councilor Desrochers.***

***Roll Call Vote:***

***Councilor Clarenbach – Yes  
Councilor Giunta – Yes  
Councilor Desrochers – Yes  
Councilor Starkweather – Yes  
Councilor Boyd – Absent***

***Councilor Dzujna – Yes  
Councilor Cournoyer – Yes  
Councilor Feener – Yes  
Councilor Barton – Yes***

***Resolution #10-14 passes.***

**Resolution #11-14** – this resolution concerns a Full Faith and Credit Pledge concerning the recipient (TRIP Center) of CDBG grant in the amount of \$413,938.

***Motion made by Councilor Desrochers that the Franklin City Council authorize the Mayor to sign Resolution #11-14 Full Faith and Credit Pledge regarding the Tiny Twisters, Head Start and TRIP Center CDBG Grant Projects at the Bessie Rowell Community Center. Motion seconded by Councilor Starkweather. All in favor, motion passes.***

**Approval of Annual Agricultural Real Estate Lease**

***Motion made by Councilor Clarenbach that the Franklin City Council approves Agricultural Real Estate Lease with Mr. Daniel L. Fife for the 334 acres City owned property located off River Street, identified as Tax Map 123, Lot 403, and authorize City Manager Dragon to duly execute the lease on behalf of the City. Motion seconded by Councilor Starkweather. All in favor, motion passes.***

**Adoption of Tax Deeded Properties**

***Motion made by Councilor Clarenbach that the Franklin City Council accepts the following tax deeds:***

***Map 133, Lot 014-00  
(Land and Building)***

***Map 116, Lot 148-00  
(Land and Building)***

***Map 083, Lot 002-00  
(Land and Building)***

***Map 078, Lot 006-07  
(Mobile Home in Park)***

***Map 097, Lot 038-00  
(Land and Building)***

***Map 096, Lot 412-06  
(Mobile Home in Park)***

***Map 097, Lot 037-00  
(Land and Building)***

***Map 076, Lot 152-00  
(Land Only)***

***Map 045, Lot 005-00  
(Land and Building)***

***Map 098, Lot 047-00  
(Land and Building)***

***Motion seconded by Councilor Cournoyer.***

Councilor Feener inquired concerning the two mobile homes that are located in parks as to what the City's liability would be. Manager Dragon responded that Mobile Home, Map 078, Lot 006-07 has been an ongoing issue for a number of years. She stated she has spoken to the Mobile Home Park owner and last year at this time he was working with the guy

and the guy was finally going to start paying and things were going to get better. This year he has stated it is probably never going to get better and the City needs to take the property. The other mobile home she stated she will be calling the park owner and she advised with this one there has been a title issue. The man who owned it lost the property to the bank and the bank was either going to see it to someone or did so but it was never transferred.

Councilor Desrochers commented when we take some of these properties urban renewal should be included. Some of these properties should not be resold but should be demolished. Manager Dragon commented she agrees and in the Manager's budget she doubled the amount in the demolition line.

***All in favor; motion passes.***

**Agreement between New Hampshire Department of Transportation (DOT) concerning Industrial Park Drive and South Main Street.**

***Motion made by Councilor Feener that the Franklin City Council accept the terms of the Forced Account Agreement which addresses obligations of the City of Franklin to participate in the engineering and construction costs associated with the necessary relocation of water mains that are in conflict with the State-funded construction work on Industrial Park Drive and South Main Street. The estimated costs to the City are approximately \$13,100 for engineering and \$90,000 for construction. The City Council authorizes the City Manager to endorse this Agreement, as well as all other agreements and documents that relate to this project, as long as any costs detailed in future agreements or documents are no greater than 15% more than the above estimates. Motion seconded by Councilor Cournoyer.***

Mayor Merrifield commented he is a bit surprised by the amount of monies that is the City's share. Mayor asked if these funds are to come from FY16 budget and Manager Dragon advised that is correct. Mayor Merrifield



asked would the surplus fund in FY16 be dependent on the Council's adoption of the upcoming water budget as what is proposed in the FY15 budget is a significant increase in water rates, so are we dependent on that increase to do this. Manager Dragon responded no, it is not part of that. Councilor Starkweather commented DOT may not have a clue as to what they will run into or the cost and we would be on the hook for that. Manager Dragon responded only up to 15%. Councilor Desrochers commented that if the Council does not approve this, the State will not fix the road over there. Director Lewis commented that the City is pretty much obligated to put this \$90,000 into the escrow account. DOT has stated the \$90,000 is to be put into an escrow account and then the State will spend it down and if it goes over \$90,000 then the City would have to put in the rest and if it is less than \$90,000 the City will have monies come back. The escrow account will have to be established prior to the signing of the contract with the firm that wins the bid. Director Lewis advised that the engineer that Brian Sullivan, MSD and the City worked with is very familiar with Force Account project with DOT and the number is a pretty good number. Director Lewis commented this project will have positive impact for the City, South Main Street and will make the Industrial Park a little bit more of an inviting location for additional businesses in the City. Councilor Desrochers commented looking at the whole picture DOT is going to fix one small section of road which isn't going to attract a lot of people to Frank and the road out of Franklin all the way to Boscawen is junk. Mayor Merrifield asked if the Council would decide to do something else with the water rates that are proposed would that make the funding of this project possible? Water rates have not been raised in 7 years.

Councilor Giunta commented this is a frustrating one for him. We have reports from Brian Sullivan that the increases to the water rates have to happen because of increase sampling, DES requirements and EPA requirements, etc. He stated I don't know how we get out of that increase but to say that the increase would occur and that there might be an extra \$90,000 in it brings a question, is that \$90,000 excess that we would use for this construction project built into the increase, and would there continue to be a \$90,000 every year and if not, why not. Finance Director Milner responded the increase does not include the \$90,000 we are discussing

tonight. The increase is based on operations. The last water increase was in 2007 and it was meant to cover the bond cost of the water treatment facility. Due to economy of scale the duration of the project the water increase allowed us to manage increased operating costs as well as additional capital projects over the years. Now that the bond payment for both the water treatment facility and the water tank project are now due and payable in FY15 and we have reduced retained earnings to a level close to the recommended 25%, we do not have the flexibility of managing 7 years of operating increases within the budget. Director Sullivan and I hope that we may have the opportunity to have retained earnings to support this project by FY16. If we do not do this increase, we will likely not have the retained earnings to support this project.

Councilor Clarenbach commented what really happened in the Water Department, we are actually taking the pre-authorization of the bond payment money and used it to defer increases in the operating budget and now that the bond is actually due we need to make up for that, that is what that increase is for is try to make up for that period of time because of the delay of the project and we started it early knowing that it was going to need to happen. Councilor Clarenbach commented we are sort of stuck on that or we reduce operations and not have the increase or we have to increase to keep our operations where they currently are. Councilor Clarenbach commented the other issue is there has not been an increase in the water rates in 7 years but every year there is an increase in the sewer rates because the Wastewater Treatment Plant is the biggest driver of that cost. Mayor Merrifield asked if anyone else is a little perturb that we get funded for a project like this and now it costs the City money; should this not be covered in the grant from the feds.

Councilor Giunta asked is there any option for 35% increase; if we do not pass the 35% increase what happens. Manager Dragon asked is this referring to the proposed water budget. Mayor Merrifield stated he calculated the rate and it is 17%. Manager Dragon stated she is not prepared tonight to answer what other options might be available in the water budget especially without Director Sullivan here.

Councilor Giunta stated his frustration is if that has to happen and we also have to factor in the \$90,000. He stated maybe we send a message to DOT that we are not going to accept this, that we don't want their project. Manager Dragon stated what was hoped was if the water rate increases the way they are proposed in the budget, to have available funds in the retained earnings to pay for this \$90,000. It is not adding another \$90,000 onto the budget; it is taking it out of the retained earnings. The concern is if the increase in the water rates do not get approved then you could potentially eat into what retained earnings we have available and then we would not have the retained earnings to fund the \$90,000.

Manager Dragon asked Director Lewis what the total cost of the project is and Director Lewis advised he has not seen the total amount but what has come up in a couple of comments is what if the estimate goes over the \$90,000. If the estimates for the City's contribution towards the relocation of these water mains goes excessively above \$90,000 that would also probably mean that the overall project is going to have some kind of excessive increase in which case the State may need to modify the proposal, cut back in some areas, do less drainage work, hard to say exactly what would be needed.

Councilor Desrochers commented the City has a bond that will become free and clear regarding the bridge in West Franklin in the next year or two and a bond for the Police Station Building.

Mayor Merrifield commented those were funded from the General Fund, not the Water Fund. Councilor Desrochers stated you can't use that for a highway project. Councilor Desrochers further commented this water main relocation is not for the Water Department but is necessary for a road construction project. Councilor Clarenbach commented yes, a road that we don't own.

Councilor Giunta commented there has been a lot of discussion concerning this project and a lot of different ideas and a response from the City Manager that she could not answer a question right now. He stated based on that he would like to have more information and feels very

uncomfortable and when he does not have all the answers he would vote no. He stated instead of voting no, he offers the following motion.

***Motion made to table by Councilor Giunta, seconded by Councilor Feener. 7 Yes Votes; 1 No Vote. Motion to table passes.***

### **Other Business**

#### **Committee Updates**

Councilor Feener advised there will be a Joint Finance Committee Meeting with the School on Monday, May 12<sup>th</sup> at 6:00 p.m. in the meeting room located on the lower level of City Hall. Tax Cap calculation and update on the School's budget.

#### **City Manager's Update**

Manager Dragon advised \$204.21 was received in the contingency grant line from Operation Safe Commute Grant. The Fiscal 2015 Budget schedule for meetings was announced. Manager Dragon congratulated those that were honored April 27<sup>th</sup> at the VFW Loyalty Day. Manager Dragon announced Youth Government Week begins Tuesday, May 6<sup>th</sup> and ends Thursday May 8<sup>th</sup> with a dinner at the Elks and a "Mock City Council Meeting." Youth Government in Franklin is celebrating its 50<sup>th</sup> year of having this program for the students.

Manager Dragon reminded everyone that the Bow Wow Ball is Saturday, May 17<sup>th</sup> and tickets are still available.

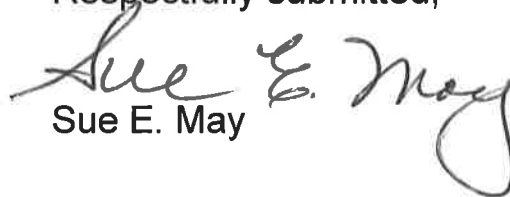
#### **Late Item**

**Tax Deed Sale of 6 Ring Street (Mobile Home)**

***Motion made by Councilor Feener that the Franklin City Council authorize the City Manager to dispose of Tax Map 07, Lot 006-02, 6 Ring Street, (Mobile Home) through a negotiated direct sale or sealed bid process. Motion seconded by Councilor Desrochers. All in favor, motion passes.***

***Motion to adjourn made by Councilor Feener, seconded by Councilor Desrochers. All in favor, meeting adjourned at 7:25 p.m.***

Respectfully submitted,

  
Sue E. May