

City Council Work Session
March 20, 2023

Present were: Councilors Roland Theberge, Morency, Eastman, Higbee, Berthiaume, Morgan and Robert Theberge. Mayor Grenier and Councilor Remillard were absent.

Others present: City Manager Phillip L. Warren Jr., Dir. Of Strategic Initiatives and Asst. City Manager Pamela Laflamme, Finance Director Holly Larsen, City Clerk Shelli Fortin, Chief of Police Dan Buteau, Deputy Chief of Police Nathan Roy, Airport Manager Marcel Leveille, Representative Corinne Cascadden, Eric Grenier, HEB Engineers, Micah Bachner, Amber Bachner, Lori Korzen and Lisa Connell, Berlin Daily Sun.

Councilor Higbee advised Mayor Grenier and Councilor Remillard were absent due to illness. In their absence he will be acting Mayor pro tem. He started the meeting at 6:30p.m.

Abatement Recommendation

Mr. Warren advised Council had requested more information on this abatement recommendation that was presented during the March 6th work session. He reviewed the additional information received from Corcoran Consulting. Ms. Hurley of Corcoran Consulting recommends denying the abatement. Mr. Warren commented he supports Ms. Hurley's recommendations. Councilor Roland Theberge moved to deny the property abatement as recommended by Corcoran Consulting Associates. Councilor Morgan seconded and the motion carried by majority in favor with one recusal from Councilor Eastman.

Excavation-Gravel Tax Warrant

Mr. Warren presented the gravel tax levy for Arnold Drouin in the amount of \$11.40. Councilor Robert Theberge moved to issue the gravel tax levy as presented. Councilor Morency seconded and the motion carried by majority in favor with one recusal from Councilor Eastman.

Certificate of Vote – Mason Street Bridge Project

Ms. Laflamme advised that last year the City was awarded \$600,000 through a congregationally directed spending grant from Congresswoman Kuster's office for the Mason Street Bridge. The \$600,000 was supposed to come directly to the City with no match requirements. It is now with DOT and there is a 20% match requirement for this project. The \$600,000 will cover essentially the second phase of the project instead of the second and Third phase. We are at a point where we are ready to sign the contract for the project with DOT as they will be administering it and they'll administer it as a regular local agency project as was the Riverwalk project. She is looking for a motion for Council to authorize Mr. Warren and herself to enter into a project agreement with NH Department of Transportation and further authorize both the City Manager and the Director of Strategic Initiatives to execute any documents which may be necessary to effectuate this contract.

Councilor Eastman questioned how the 20% came up if we were originally promised the funds without the 20% match requirement. Ms. Laflamme responded that Congresswoman Kuster's office might have been quick to indicate there was no match, but that Federal Highways had indicated that their intention was always there would be a match. Councilor Higbee questioned if the City has the 20% identified. Ms. Laflamme advised construction won't be done until September 2025. This gives us two budget cycles to prepare. She confirmed the City will not have to re advertise for an engineer as HEB will remain the design engineer on the project. Per DOT requirements, the construction engineer will have to be an engineering firm other than HEB. Councilor Berthiaume moved to enter into a project agreement with the NH Department of Transportation and further authorize both the City Manager and the Director of Strategic Initiatives to execute any documents which may be necessary to effectuate the contract. Councilor Robert Theberge seconded and the motion carried with all in favor.

Budget:**Administration/Funds/IT**

Mr. Warren advised the only increases or changes in this budget are due to labor agreements. No new personnel or programs. Some alignments have changed from budgets. Items that were in budgets prior are now in administration which is part of the general ledger system conversion to make sure we're following the NH DRA functions as they sit in the budget. When it comes time to report to the State, it will come directly from the new financial software.

Ms. Laflamme advised the IT budget is largely the same as it was last year. The only thing that changed is the yearly cost for the new financial software. This was adjusted accordingly in the IT Software line item. Everything else program wise remains the same. She discussed the different software programs utilized by departments.

BIDPA

Ms. Laflamme advised BIDPA remains the same as well. They have not spent a lot of their funds in the last several years and have a \$1,200,000 balance. They are looking at projects right now and have been working off the strategic plan they did in 2019 to figure out how they might do some investing in the community and economic development. She commented BIDPA is an enterprise fund of the City and don't impact or affect the general fund.

Airport

Mr. Leveille advised there are only five-line items that increased in the airport budget. The Telephone/Internet line item increased to cover the rate increases. There is also a new line item for a courtesy vehicle which was transferred from the Police Department. He commented that the first two weeks of having the courtesy vehicle brought in about \$8,000 in revenues. Since there are no rentals in the area, the airport has been offering the courtesy vehicle for a daily fee. Individuals have been benefiting from this service and end up landing and fueling their aircrafts at the airport generating significant fuel sale revenues. The Jet Fuel and Aviation Gasoline line items have increased due to the cost of fuel going up drastically. The Credit Card Processing Fees line item as also increased.

Councilor Higbee questioned if there are expected revenues commensurate with the increase cost of the fuel. Mr. Leveille responded yes as he keeps up with all the New England airport rates and adjusts accordingly. Today, the highest charge is \$8.00 per gallon and the Berlin Airport is charging \$7.55 per gallon which produces a \$1.72 per gallon revenue.

Mr. Leveille advised the FAA has determined the six beacons currently associated with the Berlin Airport do not identify buildings or cell towers and therefore can be removed. He commented the six beacons run constantly and cost \$9,000 to \$10,000 per year to operate. At this time, the capital improvement plan is to remove the beacons over the next two years. He advised that Eric Grenier of HEB Engineers which is the Engineer of Record at the airport is present today to discuss further. Mr. Grenier advised the FAA program is a 90% FAA reimbursement, NHDOT contributes 5% and the City's local match is typically 5%. The last couple projects at the airport, the City's match was reduced significantly because of all the Federal Funding from the Cares Act and ARPA Funds. The last fencing project at the airport required no City match. The hazard beacon project will be a standard FAA project at 90% FAA, 5% NHDOT and 5% City match. To keep the City's match reduced, they are looking into phasing the project over two years. Mr. Leveille is asking for \$5,000 for this year's City local match for a \$100,000 project. This would allow for the design to move forward this fiscal year and put the project out to bid in the Fall in order to obtain amounts for beacon removals for next year where we can incorporate some additional Federal funding from the bill act and some of the additional DOT funds.

Mr. Grenier advised it would be beneficial for the City to remove the beacons while the FAA is funding the project, in order to save the City some money in future years. There is always the potential that the FAA will not fund this project in future years. Councilor Morency questioned if the beacons are worth anything to anyone. Mr. Leveille commented there are a few individuals that showed interest. Councilor Berthiaume asked why phase the project over two years if the funds are available now. Mr. Grenier advised it was to keep the City's match low. They are looking to put a project together that would get rid of all six beacons, but some of them might require a helicopter to remove so the cost will be significant. The City is currently getting, from the Federal Government, on top of their normal expenditures, \$115,000 per year which builds up annually. Right now, with all the projects done at the airport, the City has an account balance of about \$182,000 which will probably not be enough to fund an engineering and construction project. Moving the construction project, a year allows an additional \$115,000 to come from the Federal Government to the City.

Mr. Leveille advised the amount is not in the presented budget as the meeting with the FAA was held after the submission. Mr. Warren commented he feels confident he can find the additional \$5,000 for the airport. Councilor Higbee asked how this amount will be worked into the budget. Mr. Warren advised that when Council presents the final budget, the \$5,000 difference will be reflected.

Proposed Zoning Ordinance Amendment

Councilor Higbee advised Council will not address the zoning ordinance during this evening's work session. It will be discussed at the April 3, 2023 work session.

Road Surface Management Project

Mr. Warren presented the final report of the Berlin Road Surface Management (RSMS) Project for 2022-2023 prepared by North Country Council. He discussed the timeline of the project and reviewed the four scenarios to consider which included; Status Quo, Pavement Preservation, Increased Budget and Cate's Hill Road. He commented the goal of this project is to keep the good roads good. It might take 5 to 10 years to get them in good condition and thereafter would just be maintenance upkeep. Council had a discussion on the plans as presented.

Request to Modify Service Area – Sinibaldi's Restaurant

Mr. Warren advised this is a standard request from the State of NH Liquor Commission. He advised that the Fire Chief has issued the permit to operate a place of assembly. He reviewed the request and recommends that Council supports the request. Councilor Berthiaume moved to approve the authorization to extend the services. Councilor Morency seconded and the motion carried with all in favor.

At 7:25p.m., there being no further business in Work Session, Councilor Higbee recessed before moving on to the Regular Meeting.

Respectfully Submitted,
Danielle Rioux
Executive Assistant

*Minutes are unofficial until they have been accepted by the City Council by motion.