MAYOR'S REPORT MAY 30TH, 2011

Hello summer!! I delayed the May report until now so I could encompass some budget information. There is actually quite a bit going on despite the newspapers being somewhat quiet.

First of all, local businessman Jon Edwards withdrew his request for a rehearing of NH PUC's decision granting PSNH's power purchase agreement with Laidlaw. The PPA acceptance by the NH PUC was conditional and addressed the concerns of opponent's fear of above market pricing for Laidlaw's power. Mr. Edwards also withdrew his status as intervener with the Site Evaluation Committee (EFSEC). That application was done by Laidlaw to amend their original approval at the request of Laidlaw's lenders. Mr. Edwards has legitimate concerns about the future of the existing independant power producers viability and all of us in the North Country should share in that concern. There needs to be a concerted effort from all of the woodbasket users, government an utilities to ensure that green, renewable energy production remain a powerful force in Coos County's economy. Mr. Edwards drove that point home to many of us. It is now time, however, that we all work together to not only make Laidlaw a better facility, but that we get the facility under construction this year. There are countless financial benefits in form of direct tax credit payments to Berlin and to existing businesses that would disappear. The ability to maintain the financing package is heavily dependant on new market tax credits that will lapse if there is no construction loan closing within the next few weeks. It is that serious.

With passage of the Fiscal Year 2012 budget only three weeks away, there is still unfinished business. Still unknown is how much city departments will turn back in form of unspent appropriations and revenue surpluses. I'm hoping that we can fund the positions that currently are being cut, but labor agreements with city unions would

certainly help fund the effort. If management and the labor representatives work together, we can keep folks working. With a nearly 10% unemployment rate and over \$1.3Million dollars of already overdue tax payments from struggling homeowners, there is no support within the City Council for a tax increase. I support the City Council's no tax increase position.

On Friday, June 10th, Gorham Paper & Tissue LLC will have their Opening Celebration. This will actually be a paint party with VIP volunteers headed by CEO Lynn Tilton. Invited guests include Governor Lynch who told me he wouldn't miss this ribbon cutting, DRED Commissioner George Bald who I hear is quite a painter, Senator Shaheen and Senator Ayotte, and AVRRDD Executive Director Sharon Gauthier, among others too numerous to list. This is a true community celebration. A paint party and BBQ is a great idea and I'm excited to attend on Berlin's behalf.

Finally, on Memorial Day, Berlin dedicated the 12th Street Bridge and changed the name to "Berlin Veterans Memorial Bridge". I will ask all of those connected with municipal mapping to ensure the name change. I ask all citizens to use Veterans Bridge when describing it. I want to thank Louis Perrault, Don Sloan and David Dubey for their efforts. I also want to publically recognize PWD Director Mike Perrault for excellent job coordinating the new sign installation for Memorial Day.

Until June,

Paul Grenier, Mayor