

City Council Work Session October 16, 2017

Present were: Mayor Grenier, Councilors Higbee, Nelson, Otis, Remillard, Rozek and Theberge; Councilors Morgan Allain, and Gentili were absent

Others present: City Manager Jim Wheeler, Community Development Director Pamela Laflamme, City Clerk Elaine Riendeau, Finance Director Patty Chase, Public Works Director Michael Perreault, Martha Cregan *Berlin Daily Sun* and public.

Rules for the Use of the AVRRDD Transfer Station

Mr. Wheeler noted that the rules for the use of the AVRRDD transfer station have been in place since 2004. It's not likely that any big changes will be proposed because these rules are working. If there are issues, we would want to factor all feedback into any rule changes.

At this time each household can get one free permit per year for dumping all day; recyclables are accepted without a slip being taken. There are several special use circumstances and permits are available for those. Councilor Remillard asked why citizens are not given a permit to go to the transfer station at the time of registration. Ms. Chase replied that there are too many who lose the permit and we can't issue a replacement.

Mayor Grenier asked if a reminder could be placed at the collection counter so that customers can see it and ask for the permit. Ms. Chase stated that they would put up a reminder. Councilor Higbee reported that a constituent was denied disposing of motorcycle tires because he needed a motorcycle tire permit. Mr. Perreault noted that he could see the confusion in the rules and he would clarify the language. Mayor Grenier asked if a Berlin resident disposes of 4 tires, how does AVRRDD get paid? Ms. Chase noted that the City is billed by AVRRDD. Mayor Grenier added that in his opinion, a tire is a tire and there should not be a separate permit for motorcycles. All tires up to and including 19 inch should be \$3. In a separate category, 20-24 non-commercial tires should be \$9. There is only a charge if disposing of more than four tires.

Ms. Chase reported that we collect .50 per registration for tires. Mayor Grenier asked for a report of what's been collected and what the City has expended in the last five years. He was concerned that if fees are raised, debris and tires will be dumped in the woods. Councilor Otis reported that his experience with the passes has been good. He mentioned that it is an additional \$10 for refrigerants. Mayor Grenier gave kudos to Councilor Rozek saying that he is Berlin's representative on the AVRRDD board and he does good job.

Tax Rate

Mr. Wheeler distributed a calculation of the tax rate from the DRA portal. The projected tax rate is \$39.19 with a UFB of \$2,663,189. The City proposes to use \$964,000 to reduce the tax rate, leaving \$1,699,189 in UFB which is almost 8%. Councilor Higbee moved with a second from Councilor Rozek to set the tax rate at \$39.19 using \$964,000 of UFB to reduce tax rate and leaving \$1,699,189 in UFB. So moved, the motion carried.

Smith Hydro Divestiture

Mr. Wheeler reported that an auction of hydro facilities throughout the state resulted in all nine being sold as a package and the value put on Smith Hydro was \$24 million. The City has the hydro assessed at \$56 million. Mr. Wheeler noted that there is a lot to be studied and analyzed. In the worst case scenario, with the city using \$24 million as value, the City would lose \$1.1 million in tax revenue. The sale does have a tax stabilization agreement in place where in Year 1 the difference is paid to the city by Eversource; year two 66% of the difference is paid by Eversource and in Year 3, 33%.

Councilor Remillard asked why the worst case would not happen. Mr. Wheeler stated that there were hydros that sold on the CT River that support our values. The numbers from the auction are half of our values making them more suspect. We are not privy to all the information and we don't know who the players are or the circumstances of the bidding. Councilor Remillard asked when there will be some explanation available and Mr. Wheeler thought there may be something by the end of the week.

Councilor Higbee made the point that employee contracts are covered under the purchase and that could have lowered the value. Mr. Wheeler confirmed that the City will not lower its value. We will continue to have a qualified assessor value the property and send the tax bill. A request for abatement may be made through the standard process. Mr. Wheeler added that as we learn more, will bring it forward.

Non-Public Session

Councilor Rozek moved with a second from Councilor Theberge to enter into non-public session per RSA 91-A:3II d) land matters. So moved, the motion carried unanimously by roll call.

No bids are anticipated for 635 Hillsboro Street. There is a minimum bid of \$15,000. Councilors conceded to putting it out to bid again under the same conditions.

Another land matter was discussed.

Councilor Rozek moved to come out of non-public session; Councilor Higbee seconded and the motion carried.

Councilor Rozek moved to seal the minutes until the Mayor and City Manager agree as releasing them would make the action taken ineffective; Councilor Theberge seconded and the motion carried.

There being no further business in Work Session, Mayor Grenier moved on to the Regular Meeting at 7:25 p.m.

Respectfully Submitted,
Susan Tremblay
Administrative Assistant