

Memo

To: Berlin City Council
From: Jim Wheeler, City Manager
Date: 5-21-2018
Re: City Manager's Report

1. There will be an online/virtual meeting with Spohn Ranch on Wednesday May 23rd at 6pm to review preliminary skate park design ideas. Following this event, there will continue to be opportunities to provide input to the design.
2. As a reminder, the Public Hearing for the FY2019 Budget Proposal is this Wednesday night, May 23rd at 6:30 PM in the City Hall Auditorium.
3. We received bids for the City's Fuel Oil contract. Low bids from CN Brown came in 30% higher than last year with local delivery at \$2.449 and bulk delivery at \$2.349 per gallon.
4. The Berlin Main Street Program hosted the Downtown Day of Caring on Friday, May 18th. The volunteers raked, pruned, swept, mulched, weeded, and planted their way through multiple sites in the downtown area. Thanks to their hard work, the downtown looks great.
5. There were two tax deeded properties out for bid, 340 Church Street and 723 Third Avenue. We received no bids on either property. The other four that were authorized by the Council will be out for bid soon.
6. There is a bid out for a Welcome sign into the City that will be constructed on Glen Ave. in the area of Veteran's Park.
7. Attached is a letter to Governor Sununu that was sent on the Council's behalf encouraging the Governor to sign Senate Bill 577 into law.
8. By the end of this week we expect that the entire City will have go through the first round of spring sweeping. This has been accomplished by running two night shifts.
9. The Public Works Department has been working on the FEMA storm damage application. As with most Federal programs, there is an incredible amount of detail that needs to be entered into the FEMA portal by the July deadline. Work to complete storm damaged areas will resume within the next two weeks in the area of Grafton and Howland Streets by AB Construction.
10. Punch list work and other final work on the Rte. 16 project will begin within the next two weeks by Sargent Construction.

City of Berlin, NH

City Manager's Office



May 17, 2018

Honorable Governor Chris Sununu
Office of the Governor
State House
107 North Main Street
Concord, NH 03301

Re: Senate Bill 577

Dear Governor Sununu:

On behalf of the Mayor and City Council of the City of Berlin I am writing to encourage you to sign Senate Bill 577 into law, and support the new and promising economy we have worked so hard to cultivate. Berlin is working diligently to redefine itself. While our progress has been good, we are still in a fragile state, the core of which is our tax base and its overall low value. This is reflected in our tax rate, which is currently the second highest in the State, and if not for repeated years of holding municipal budgets flat, it could well be the highest.

Four years ago, the Mayor and City Council made the strategic decision to allocate the new revenue we received from Burgess BioPower to capital improvement work in the City. The Mayor and Council understand that we must reinvest in ourselves if we are to improve our economy. The first major project under this strategy is near completion. The City has successfully completely reconstructed a section of State Route 16 within Berlin at a total bonded cost of approximately \$7M. We are pleased that this investment of local money has leveraged a Northern Borders Grant (\$250K) as well as a Transportation Alternative Program Grant (\$800K) which will be used to construct a complimentary Riverwalk along Route 16 and the Androscoggin River in 2019. Despite these successes, we are early in this process and we need to do so much more.

If Burgess BioPower were to close, the City's tax rate would no doubt become the highest in the State by a good measure. In truth, it will be unsustainable, and perhaps unsurvivable. Although we have many dedicated people working on a variety of efforts to transform our economy, a major blow, like the closure of Burgess BioPower, would be devastating.

Going forward, the City's strategic vision includes being a center of production of renewable energy. The City hosts 4 hydroelectric generation plants, a wind turbine farm and a 75 MW biomass plant, and recognizes the principle of energy supply diversification. Energy diversification is an important national strategy, and therefore the City has adopted it as an important local economic strategy. Woven into this is the need for on-demand capacity generation facilities, which the biomass plant is and other renewable sources are not. This increases the importance of the biomass plant in a time when fossil fuel plants are coming off line.

Historically, the underpinning of our tax base was the economic activity created by the paper industry at the Burgess Pulp Mill. After weathering a long period of decline in this industry, which ultimately led to

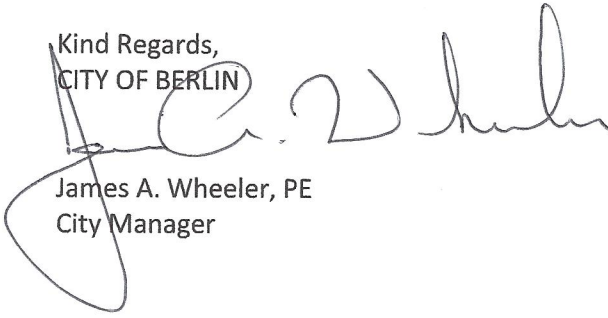
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May 17, 2018

the mill's closure, the City had to learn to walk again. Over the last decade. . . we crawled, stood up, took steps and fell down a few times. Currently, our knees are brushed off and we have started to run. While we are resilient, this is perhaps when we are most fragile. If something were to cause us to trip and fall just as we are getting up to speed, the result could be catastrophic.

We hope that this sincere communication has helped you fully realize what is at stake and that you will support the passage of SB577.

Kind Regards,
CITY OF BERLIN



James A. Wheeler, PE
City Manager