

City Council Work Session July 15, 2019

Present were: Mayor Grenier, Councilors Theberge, Otis, Berthiaume, Rozek, Higbee, Gentili, Morgan, and Remillard

Others present: City Manager Jim Wheeler, City Clerk Shelli Fortin, Superintendent of Schools Julie King, Al and Kate Duncan, Community Development Director Pamela Laflamme, Members of the Board of Assessors, Bob Goddard, Kem Rozek and Mike Eastman; Mark Lauze, Steve Dion, Leo Robichaud, Gina Welch, Jamie Welch, Barbara Tetreault, *Berlin Daily Sun* and several members of the public

Mayor Grenier opened the meeting at 6:30 p.m.

Mayor Grenier asked to change the order of the agenda so that Al and Kate Duncan would be heard first on the agenda and the letter from Stacy Wilson will be heard last. Councilor Rozek so moved; Councilor Theberge seconded and the motion carried.

Third Annual Summit Salute

Al and Kate Duncan, Co founders of Volunteers for Veterans explained that they put on Summit Salute at the base of Mt. Washington which is free to all veterans. The event will be held July 21, 2019. Mayor Grenier stated that the city donated \$1500 toward the event in the past. Councilor Rozek moved with a second from Councilor Theberge to donate \$1,500 to Volunteers for Veterans for the Summit Salute event. So moved, the motion carried. Al and Kate Duncan left the meeting at this time.

Joint Meeting with Board of Assessors

Mayor Grenier stated that the City Council received a communication from Mark Lauze pointing out what he viewed as a conflict of interest regarding the BOA and the issues were serious enough to have the BOA present so the Council could hear from the Board. He added that when it comes to appraising properties, he and the Council rely on the Board as the experts.

Bob Goddard introduced BOA members, Mark Eastman and Kem Rozek. He said that the Board is charged with a number of duties for the city and for the taxpayers. It is their duty to make sure the playing field is level. There is a process whereby anyone who is a taxpayer has the ability to challenge their tax bill. They can go on line or go to the city assessing office and pick up and fill out an application that asks for the arguments of the taxpayers. Mr. Goddard distributed a package of samples of applications received in this round. He said the City received 140 applications for tax assessments being challenged. Of the 140, 83 were denied, 48 were granted and 27 are pending because additional consideration is needed. Each application is looked at and considered by the board. For those applications still being considered, the Board requested that the Assessing contractor, KRT, do an interior inspection and report back to the Board. In the denials, the taxpayers failed to supply the information and the Board had no way of considering the information presented.

In Mr. Lauze's case, he asked for an application and in 4 minutes he had filled out the application; the result is that it was denied. There was no substance and it was filled out improperly with omissions. It was still considered but denied. Out of 140 applications, 50 did not have sufficient information to go forward. In the next few months, Mr. Goddard said he has prepared a lecture on how to prepare a tax appeal. It will likely be held in the auditorium and will be open to the public.

Mr. Goddard went on to say that it is every taxpayers' right to file an appeal provided it is done within the statute. Every taxpayer has that right, and members of the Board of Assessor's are taxpayers and they have the right to appeal as well. They have the right to appeal and they abstain from voting in their own cases.

The statistical update was done because property values have increased in the City. The three members of the BOA's values increased and they filed tax appeals. Board members work with these appeals and have a good working knowledge of them which resulted in the appeal being better than most. There was also one taxpayer who took the time to do the appeal correctly.

Mr. Goddard then went through Mr. Lauze's application pointing out that the property is owned by Mark and Regina Lauze; however it was signed by only one taxpayer, not two. He stated that the question regarding whether the taxpayer owns other property in the municipality was not answered, and he emphasized that it is important for the Board to know because they need to take into consideration all property. He noted that there was not a reason given for the abatement application in the section listed for that purpose. The taxpayer listed that his opinion of value as of April 1. was \$85,800. and the Board was looking for the support of that lower value. There is a land component; and again the Board was looking for the arguments. Mr. Goddard indicated that a deck was added to the house and the tax assessor raised the condition of the house. The property is a corner lot in a good neighborhood, and it is well kept. If the Board starts speculating an analysis and doing something they should not, that's were there would be a problem. Ultimately, the application was denied because there was no information to consider.

Mayor Grenier confirmed that he sees and understands the complexity of the process but there is a complaint from a taxpayer that the process was tilted in the BOA's favor. The City Council wants to make sure the process is fair and just for all. He thanked the BOA for their work which is done as volunteers. He asked Mr. Wheeler to summarize what has been done so far.

Mr. Wheeler stated that the letter from Mr. Lauze was presented to the City Council in non public session on June 17. It was then read at a public meeting July 1 and Council requested a joint meeting with the Board of Assessors. The Council determined that an independent review is necessary and they discussed how to best show the public that there is a system in place that works. Mr. Wheeler noted that he obtained a contract from MRI for an independent review of 6 abatements at a cost of \$3,000 to \$5,000. The Council was hesitant about signing the contract due to the City's prior affiliation with MRI.

Following the meeting on the 17th, the letter was shared with the BOA by e-mail. Chair Goddard asked for a meeting with the Manager and Mayor Grenier and he agreed that an independent review is needed. He asked if the BTLA could perform the review. Mr. Wheeler informed the Council that he asked Ann Stelmack, clerk of BTLA and she stated that the BTLA would not perform such a review; however they could consider issuing an advisory opinion upon an appeal or petition by the taxpayer. RSA 71-b16 I; filed by a property owner with a fee of \$65 allows the DRA to review assessments. It does not preempt anything and it is an avenue that a taxpayer can pursue. Finally, Mr. Wheeler indicated that on Friday July 12, he was contacted by the DRA and they want him to meet with James Geary and Phil Bodwell who want to review the tax cards and look at the abatement issue more closely. He added that any contract having to do with assessing is reviewed by the DRA and they received the proposed contract from MRI for review. When asked if the DRA would review the abatement requests, they said it would be helpful to their purposes if MRI were to do a review.

The DRA has asked for a follow up on the content of this meeting. The meeting with James Geary and Phil Bodwell is also pending coordinating dates.

Mayor Grenier commented that Pat MacQueen was an employee of MRI and longtime City Manager. It may be perceived that the city has a relationship with MRI presenting another conflict. If the DRA is willing to step in and look at the situation, we could let them make the final decision. Councilor Nelson asked if MRI is the only contractor who can do the study and Mr. Wheeler confirmed that they are the only one we reached out to. Mayor Grenier stated that he wants the integrity of the BOA to be upheld. We want this to be right and fair for taxpayers. Mr. Wheeler reported that when we meet with the DRA, we will express that we really want them to do this review; however we don't know what they will say.

Councilor Remillard made a motion that the City Manager will meet with the DRA to see if they willing to do an independent review on a number of abatement applications and to see if there is a cost associated with such a review. Councilor Morgan seconded.

In discussion Councilor Nelson asked if the City Manager can also be authorized to find a contractor other than MRI so that the action taken is not delayed. Councilor Remillard amended her motion to add that the City Manager is authorized to seek another contractor if the DRA is not willing to do the review; Councilor Morgan seconded the amended motion. Bob Goddard commented that the BTLA is the judicial branch of assessing and the DRA is not. If there are differing views, it would go to the BTLA. All voted in favor of the amended motion; Councilor Rozek recused himself from the vote.

Riverwalk Schedule

Mr. Wheeler spoke with regard to the Riverwalk schedule, DOT is questioning whether we would be ready to do the project next summer. The total match is \$182,000; however approximately \$35,000 would be due in the next fiscal year. Mr. Wheeler recommended to go forward in part because we cannot apply for additional Northern Borders money until we spend the existing grant. Councilor Nelson moved to urge DOT to schedule the project for initial construction in 20/21; Councilor Higbee seconded and the motion carried.

Blower Project Surety Payment

Mr. Wheeler informed the Council that there is a payment of \$16,400 in this week's disbursements for the Wastewater blower project. Keymont was hired by the City and they delivered a good product to us. Before closing out the project, the City was informed that they did not pay all their subcontractors so we held back the last payment and notified the bond company. We will make the payment to the bonding company and we are out of it. Councilor Remillard asked if our legal costs will be covered by the bond and Mr. Wheeler confirmed that they are not. She asked for the amount it cost in legal fees.

Public Works Equipment

Mr. Wheeler reported that the garage supervisor has been working on equipment purchases through the state bid. There is funding in the Capital budget and the PWD needs salt trucks. The cost of a truck is \$100,400 and to fit it with a plow would cost an additional \$35,000. There is \$180,000 for Public Works Equipment and \$45,000 for loader refurbishing. We need to set aside a \$28,000 payment for the sidewalk tractor which leaves \$242,000. One of the loaders needs a new transmission for \$40,000 which leaves \$200,000.

It will take 90 days for the salt trucks to come in and the recommendation is to order them now. Councilor Rozek questioned putting plows on salt trucks saying that we would need two employees per truck if the plows are put on. Mr. Wheeler clarified that we could purchase the plows at a later time and two employees are not needed on straight runs. Councilor Rozek asked if there is used equipment available and Mr. Wheeler confirmed that there is not. He added that mechanics are spending hours and hours on junk.

Councilor Nelson questioned whether adding plows would increase efficiency. Councilor Remillard asked if it is the preference the operators to have the plows on the salt trucks and Mr. Wheeler confirmed that it is. Councilor Rozek asked for statistical data that will show that adding plows will increase the speed of plowing. Councilor Remillard moved to go forward with the purchase of two salt trucks through the State bid; Councilor Nelson seconded. She asked for more info on the plows as well. All voted in favor of the motion.

Letter from Governor Sununu

The letter leaves us in no better position than we were a week ago. With the Governor's veto of the State budget, the City's budget is based on a State budget that is in question. The Governor is looking for someone to attend an informational session in Concord next Friday. Councilor Rozek said that if we don't send anyone, it would send the wrong signals. Mayor Grenier said that the Governor is willing to do something to affect education funding. The City budget is based on receiving \$1,260,000 of State funds and he's asked the City Manager to work up a plan where we receive only \$700,000 so that we are prepared. The appropriation for the School Department needs to remain to get schools up and running. Capital will take a hit, but there may not be a decision until October. Councilor Nelson asked if the City should consider joining the law suit. Mayor Grenier noted that the law suit would have no bearing on this year's funds. He added that someone from the City will be at the meeting on Friday.

Letter from Stacey Wilson.

A letter asking to have Main Street closed for a Sidewalk Chalk Competition on July 31 and August 1 was read into the record. Councilors were concerned that the dates would not work as they conflict with the dates of preparation for the ATV festival. Mayor Grenier asked the City Clerk to contact Ms. Wilson and let her know that the City would be happy to work with her to schedule a better time.

Non Public Session

Councilor Rozek moved to go into non-public session per RSA 91-A:II (b) Hiring and (e) Pending Claims; Councilor Higbee seconded and the motion carried unanimously by roll call.

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

Councilor Rozek moved to seal the minutes of the non-public session as releasing them would render any action taken ineffective; Councilor Theberge seconded and the motion carried.

Councilor Higbee moved to go into non-public session per RSA 91-A:II (e) pending claim; Council Morgan seconded and the motion carried unanimously by roll call.

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

There being no further business in the Work Session, Mayor Grenier moved on to the Regular Meeting

Respectfully Submitted,
Susan Tremblay
Administrative Assistant

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