

# CITY COUNCIL MEETING

MUNICIPAL COMPLEX, EILEEN DONDERO FOLEY COUNCIL CHAMBERS, PORTSMOUTH, NH  
DATE: TUESDAY, JANUARY 16, 2018 TIME: 6:00PM

## AGENDA

- 6:00PM – NON PUBLIC SESSION IN ACCORDANCE WITH RSA 91-A:2, I (a) REGARDING STRATEGY OR NEGOTIATIONS WITH RESPECT TO COLLECTIVE BARGAINING – THE ASSOCIATION OF PORTSMOUTH TEACHERS TENTATIVE AGREEMENT
- 6:15PM – WORK SESSION RE: FY19 BUDGET GUIDELINES

### I. CALL TO ORDER

### II. ROLL CALL

### III. INVOCATION

### IV. PLEDGE OF ALLEGIANCE

- Approve City Council Rules and Orders
- Ratify City Council Policies and Procedures
- Ratification of Blue Ribbon Committees
- Code of Ethics Lot Drawing for City Council Representative

### PRESENTATION

1. Presentation of Comprehensive Annual Financial Report (CAFR) – Scott McIntire, Melanson & Heath <http://files.cityofportsmouth.com/finance/cafr17.pdf>

### V. ACCEPTANCE OF MINUTES – DECEMBER 4, 2017; DECEMBER 18, 2017; DECEMBER 20, 2017 AND JANUARY 2, 2018

### VI. PUBLIC COMMENT SESSION

### VII. APPROVAL OF GRANTS/DONATIONS

- A. Donation to Portsmouth Police Department from Newburyport Five Cent Savings Bank – \$500.00 (**Sample motion – move to accept and approve the donation to the Portsmouth Police Department, as listed**)

### VIII. CONSENT AGENDA

#### **(ANTICIPATED ACTION - MOVE TO ADOPT CONSENT AGENDA)**

- A. Letter from Jeremiah Gould, Runner's Alley requesting permission to hold the 21<sup>st</sup> Annual Runner's Alley/Redhook Brewery Memorial 5k on Sunday, May 27, 2018 at 11:00 a.m. (**Anticipated action – move to refer to the City Manager with power**)

**IX. PRESENTATION & CONSIDERATION OF WRITTEN COMMUNICATIONS & PETITIONS**

- A. (See E-mail Correspondence)
- B. Letter from Richard Ade and Daniel Plummer, Ocean Properties & Two International Group reiterating their interest in the McIntyre Project
- C. Letter from Mayor Thomas Koch, City of Quincy, Massachusetts regarding the McIntyre Project
- D. Letter from Mayor Joseph Curtatone, City of Somerville, Massachusetts regarding the McIntyre Project
- E. Letter from Thomas Coakley regarding Police Commission Vacancy
- F. Letter from Mayor Brian Arrigo, City of Revere regarding the McIntyre Project
- G. Letter from Jim Splaine regarding various issues

**X. REPORTS AND COMMUNICATIONS FROM CITY OFFICIALS**

**A. CITY MANAGER**

**City Manager's Items Which Require Action:**

- 1. Request for Action regarding McIntyre Property
- 2. Report Back from Planning Board Re: Paper Street Request for 170 Swett Avenue
- 3. Request for First Reading of Ordinances Re: Charter Amendment Drafts
- 4. Proposed Acquisition of Bellamy Reservoir Source Water Protection Land Conservation Easement with the Southeast Land Trust
- 5. Establish Work Session Re: Residential Parking
- 6. Request to Establish Guidelines for FY19 Budget

**City Manager's Informational Items:**

- 1. Events Listing
- 2. Capital Improvement Project Work Session – January 29<sup>th</sup>

## **B. MAYOR BLALOCK**

1. Appointment of Steering Committee Members for McIntyre  
McIntyre Public Input Blue Ribbon Steering Committee Charge & Appointments

Guided by the City Council's Public Input Process, the 7 member Steering Committee's charge is to sponsor, oversee and implement a public input process in coordination with the City staff; second, assemble the priorities and principles resulting from the process and report back to the City Council. The input will be used in the crafting of successful application to the National Park Service to transfer of the property from the General Services Administration (GSA) to the City under the Historic Monument Program. The Committee's work should be completed by April 9, 2018.

2. Police Commission Vacancy (*See attached memorandum from City Attorney Robert Sullivan*)

### Option #1

The City Council may determine to follow the provisions in the Municipal Charter under which Reverend Arthur Hilson would automatically accede to fill the position created by the resignation of Joseph Plaia. In this case the City Clerk would swear in Reverend Hilson. A court challenge might then arise, initiated by either the State of New Hampshire or any other person who feels that Reverend Hilson is not entitled to the position as a matter of law.

### Option #2

As in 2015 the City Council could determine to acquiesce to the position advanced by the Office of the Attorney General and disregarding the Municipal Charter in favor of following the provisions of RSA 105-C:3. Under this option the City Council would fill the vacancy on the Police Commission by appointing an individual to serve until the next regular municipal election.

3. Appointments to be Considered:
  - Reappointment of Lawrence Cataldo to the Neighborhood Steering Committee
  - Reappointment of Paul Mannle to the Neighborhood Steering Committee
  - Reappointment of Jeffrey Kisiel to the Planning Board
  - Reappointment Jay Leduc to the Planning Board
  - Appointment of Steve Gray to the Cable Television & Communications Commission
  - Appointment of Peter Weeks to the Trustee of the Trust Funds
4. Information Only City Council Schedule 2018
5. Information Only Board & Commission Assignments for City Council

## **C. COUNCILOR ROBERTS**

1. New Sources of Revenue

**D. COUNCILOR PEARSON**

1. Revisit Proposal to Improve Civic Engagement

**E. COUNCILOR DENTON**

1. \*Safe Station (*Motion – For City Staff to begin exploring and report back on the potential need, associated costs, and steps required to set up a ‘Safe Station’ in Portsmouth*)

**F. COUNCILOR PERKINS**

1. Previous City Council Rule #47 – Appointments to Boards and Commissions: Unless otherwise required by statute or ordinance, the Mayor Shall not bring forward for re-appointment to any Board or Commission the name of any person who shall have served ten (10) or more consecutive years on the same Board or Commission prior to the effective date of the requested reappointment.

**XI. MISCELLANEOUS/UNFINISHED BUSINESS**

**XII. ADJOURNMENT**

**KELLI L. BARNABY, MMC, CMC, CNHMC  
CITY CLERK**


*\*Indicates Verbal Report*

**INFORMATIONAL ITEMS**

*(There are no Informational Items on Agenda this evening)*

**CITY OF PORTSMOUTH  
PORTSMOUTH, NH 03801**

**Office of the City Manager**

**Date:** January 11, 2018  
**To:** Honorable Mayor Jack Blalock and City Council Members  
**From:** John P. Bohenko, City Manager   
**Re:** City Manager's Comments on January 16, 2018 City Council Agenda

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***Non Public Session:***

6:00 p.m. Non-Meeting Re: Strategy or Negotiations with Respect to Collective Bargaining – RSA 91-A:2, I (a) – Association of Portsmouth Teachers.

***Work Session:***

6:15 p.m.

1. **FY19 Budget Process and Proposed Budget Guidelines.** On Tuesday evening, at 6:15 p.m., I requesting a work session to discuss the FY19 Budget process and proposed budget guidelines. The JBC is established for the purposes of advising the City Manager and the City Council on issues pertaining to the development of the Annual Budget.

**7 Voting Members**

- Mayor Jack Blalock
- (2) City Councilors – Chris Dwyer and Rebecca Perkins
- (2) School Board Members – Ann Walker and Kristin Jeffrey
- Fire Commission Member – Jennifer Matthes
- Police Commission Member – Joseph Onosko

## 5 Non-voting Ex-officio Members

- City Manager John P. Bohenko
- Finance Director Judie Belanger
- Superintendent of Schools Steve Zadravec
- Fire Chief Steven Achilles
- Police Chief Robert Merner

## Charge of the JBC

- The JBC shall advise the City Manager and City Council on the adoption of guidelines for the preparation of the proposed FY19 budget by January 2018.
- City Staff will provide information to the Committee on factors impacting the development of the municipal budget.
  - Health Insurance rates
  - Retirement rates
  - Contractual Obligation impacts
  - Any and all other costs which would impact the Operating Budget
- The Committee shall not assume responsibilities of the City Manager or the City Council as outlined in the City Charter.

I have [attached](#) for your information a copy of the budget schedule and draft minutes of the Joint Budget Committee meeting of December 13, 2017 at which budget guidelines were discussed for FY19. Further, on Tuesday evening, Judie Belanger Finance Director will provide the City Council with a presentation on preliminary budget estimates for FY19.

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## ***Presentations:***

1. **Presentation of Comprehensive Annual Financial Report (CAFR) – Scott McIntire, Melanson & Heath.** On Tuesday evening, Scott McIntire of Melanson, Heath & Company, P.C. will report on the Annual Audit and Financial Statements for the Year Ending June 30, 2017. I have [attached a copy of the City’s Comprehensive Annual Financial Report \(CAFR\)](#) which includes the financial statements for the fiscal year ending June 30, 2017 (Annual Audit). Also, [attached is the Governance Letter and Management Letter](#) for the year ending June 30, 2017, prepared by our auditor <http://files.cityofportsmouth.com/finance/cafr17.pdf>.

## ***Acceptance of Grants and Donations:***

1. **Acceptance of Police Department Grant.** The Portsmouth Police Department has received a donation in the amount of \$500.00 from Newburyport Five Cents Savings Bank.

*I recommend the City Council move to accept and approve the grant to the Portsmouth Police Department, as presented. Action on this matter should take place under Section VII of the Agenda.*

## ***City Manager's Items Which Require Action:***

1. **Request for Action regarding McIntyre Property.** At its January 16<sup>th</sup> meeting, the City Council has two items to follow up from the former Council's special meeting of December 20<sup>th</sup>:
  - A. To decide to accept the recommendation of implementing a public input process, as outlined in the [attached document](#); and
  - B. To decide whether to endorse the recommendation of the Redgate/Kane group as the preferred partner for the City to explore options for the redevelopment of the McIntyre site.

The criteria for selection of a private partner, as outlined in the City's Request for Proposals, is as follows:

- Responsiveness to submission requirements
- Comparable development experience
- Strength of entity members/completeness of the team
- Understanding of required project work and schedule
- Financial capacity
- The extent to which the overall redevelopment proposal meets or is likely to meet the City's objectives, as outlined in Section IV.

[Attached](#) is an updated matrix which outlines each proposal as submitted. The former Council conducted interviews with each proposer on two occasions: one on September 9<sup>th</sup> (available for review on YouTube). In addition, each proposer submitted qualifications to the City which are available on the City's McIntyre website.

City staff has reviewed each proposal in detail, and has checked references for each team. In addition, recent communication with staff at the National Park Service (NPS) has indicated that demolition of the one-story Post Office would not be acceptable, but that the addition of a low tower on top of the existing wing and/or the removal of a portion of the wing towards the back might be acceptable. The City's team feels that each of the three proposers has the financial capacity, experience, and commitment to assist the City in fulfilling its goals for redevelopment of the site. Barry Abramson, the City's real estate development consultant, has summarized his analysis of the proposal from a market feasibility/overall financial perspective in the [attached](#).

*I would recommend the City Council move to:*

*1) Ratify the public input process as outlined, and*

*2) Endorse the selection of Redgate/Kane as the preferred partner for the McIntyre Project*

2. **Report Back from Planning Board Re: Paper Street Request for 170 Swett Avenue.**

At the November 20, 2017 City Council meeting, the Council considered a letter dated September 25, 2017 from Neil Robinson ([see attached](#)), owner of 170 Swett Avenue, requesting a quitclaim from the City of Portsmouth to release its interest in the paper street portions of Moffat Street that abut this property ([see attached memorandum from Planning Director Juliet Walker](#)).

The City Council voted to refer this to the Planning Board for a recommendation. [Attached is a map](#) which shows the lot, also this paper street abuts a city-owned lot. Though not currently improved as a road, the paper street in question provides the only direct potential access to the City lot. Swett Avenue is currently improved (paved) up to the intersection with the paper street portion of Moffat Street, but not beyond that point. The owner of 170 Swett Avenue did not provide additional legal analysis regarding the status of the paper street and, therefore, whether the City has interest to release has not been confirmed. Similarly, no legal analysis has been provided to determine whether other parties have legal interest and/or ownership of this paper street. After consultation with the Public Works Director and in consideration of maintaining access to the City-owned lot, the Planning Director recommended denying the request to release any interest the City may have. The Planning Board considered this request at the December 21, 2017 meeting and voted to recommend that the City Council deny the request.

*I recommend the City Council vote to deny the request to release City interest in the paper street portions of Moffat Street that adjoin 170 Swett Avenue.*



3. **Request for First Reading of Ordinances Re: Charter Amendment Drafts.** At the election of November 7, 2017 the voters of the City adopted two charter amendments which had been placed on the ballot by the City Council. In each case the charter amendment calls for the adoption by the City Council of a new ordinance or ordinances. [Attached please find a memorandum](#) from City Attorney Sullivan relevant to the wording of each charter amendment and proposed outline of an ordinance which would implement this amendment.

If the City Council wishes to proceed forward in accordance with the City Attorney's memorandum the following motions are suggested:

*Charter Amendment 1 – Move to direct the City Attorney to draft an ordinance amendment as presented to bring forward for first reading at the February 5, 2018 City Council meeting.*

*Charter Amendment 2 – Move to direct the City Attorney to draft an ordinance amendment as presented to bring forward for first reading at the February 5, 2018 City Council meeting.*

4. **Proposed Acquisition of Bellamy Reservoir Source Water Protection Land Conservation Easement with the Southeast Land Trust.** The City's Water Division has been actively working on identifying and acquiring properties adjacent to the City's surface water supply, the Bellamy Reservoir ([see attached map](#)). The City has partnered with Southeast Land Trust (SELT) for the negotiation, due diligence, installment payments for payment of the Purchase Price, and completion of a conservation easement on the approximately 72-acre Olson Property (property number 3 on the map) in order to benefit the protection of one of the City's primary water supplies. The purchase price is \$390,000. During the negotiations of this purchase, the City staff submitted this project to be considered for inclusion in the first round of funding for the state's Drinking Water and Groundwater Trust Fund. Subsequently, the project was approved for \$200,000 of funding, approximately 50% of the purchase price.

The subject parcel is ranked as the third most valuable parcel with respect to protection of the Bellamy Reservoir based on an assessment of abutting parcels. The parcels on this map are ranked based on parcel size, percent wetlands, developability, slope, length of shoreline, proximity to water supply intake, and aesthetics. This ranking approach is intended to assist with the prioritization of protection efforts as they pertain to the land surrounding the reservoir. Development has the potential to greatly affect surface water quality through direct impacts of chemical runoff, septic system leachate, and stormwater sediment loading, and indirect affects in terms of higher nutrient loading which can cause an increased likelihood of harmful algal blooms and impacts to dissolved oxygen concentrations. For these reasons, efforts to protect land that has the greatest potential to impact water quality, such as Mr. Olson's property, is important for the long-term management of the Portsmouth water supply.

City Council's authority is requested for the following:

- 1) Execute a Purchase and Sale Agreement for the purchase of the conservation easement;
- 2) Execute an Agreement with the Southeast Land Trust (SELT) to administer the transaction for a cost of \$33,130;
- 3) Establish a public hearing for February 5, 2018 to fund the purchase of land through a use of water enterprise fund net position; and,
- 4) Enter into Grant Agreement with the State of New Hampshire's Drinking Water and Groundwater Trust Fund to receive \$200,000 towards the purchase of the easement.

The value of the conservation easement was appraised as \$390,000.00 by McManus & Nault Appraisal Company, Inc. Mr. Olson agreed to that purchase price.

The next step in this process will be to finalize the Agreement and it will then be put before the City Council for a vote. A separate two-thirds vote of the City Council following a public hearing will be needed in order to utilize water enterprise fund net position for this purchase.

*I recommend the City Council take the following actions:*

- 1) *Move to authorize the City Manager to negotiate a Purchase & Sale Agreement for the conservation easement and agreement with the Southeast Land Trust for this acquisition;*
- 2) *Move to establish a public hearing for February 5, 2018 to utilize \$223,130 from the water enterprise fund net position; and,*
- 3) *Move to authorize the City Manager to enter into a Grant Agreement to accept \$200,000 from the State of New Hampshire's New Hampshire Drinking Water and Groundwater Trust Fund's Land Conservation Grant and Loan Program to be put toward this purchase.*

5. **Establish Work Session Re: Residential Parking.** I am requesting that the City Council establish a Work Session for February 5, 2018 at 6:00 p.m. to review the information regarding a Residential Parking Program. Ben Fletcher Parking Manager for the City will lead the discussion on this matter.

*I recommend the City Council move to establish a Work Session on February 5, 2018 at 6:00 p.m.*

6. **Request to Establish Guidelines for FY19 Budget.** Subsequent to the Work Session this evening, I am requesting the City Council establish budget guidelines for the FY19 Budget. Action is requested on this matter.

## ***Informational Items:***

1. **Events Listing.** For your information, [attached is a copy of the updated Events Listing](#) from January 16, 2018 through 2018. In addition, this can be found on the City's website.
2. **Capital Improvement Plan Work Session – January 29<sup>th</sup>.** The City Council will be conducting a Work Session regarding the FY19-24 six year Capital Improvement Plan on Monday, January 29, 2018 at 6:30 p.m. in the Eileen Dondero Foley Council Chambers. ([See Attached Agenda](#)).