

TO: KAREN CONARD, CITY MANAGER

FROM: KELLI L. BARNABY, CITY CLERK

RE: ACTIONS TAKEN AT THE PORTSMOUTH CITY COUNCIL MEETING HELD IN THE EILEEN DONDERO FOLEY COUNCIL CHAMBERS ON TUESDAY, JANUARY 21, 2025

PRESENT: MAYOR McEACHERN, ASSISTANT MAYOR KELLEY, COUNCILORS TABOR, COOK (Participated via Zoom until 8:00 p.m.) DENTON, BLALOCK, BAGLEY, MOREAU AND LOMBARDI

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1. **Voted** to close the Non-Public Session and seal the minutes.
2. Presentation – Fiscal Year 2024 Audit Summary – Matt Hunt, CLA – Scott stated that the scope of the audit is to express an opinion on whether the financial statements are presented in accordance with GAAP. He provided a report on internal control over financial reporting and compliance with laws, regulations, contracts and grants. He indicated that the audit was very positive, and the financial statements contain unmodified opinions. He stated this is the best opinion that can be issued in a financial statement audit. Scott also expressed that no material misstatements were identified. Scott advised the City Council that there were no internal control findings, no compliance findings and no findings or issues. Phil Hwang presented long-term liabilities and indicated that long term debt increased slightly over the prior year. Scott concluded significant issues discussed with management prior to engagement were all within the normal course of our professional relationship. He again stated that this was a very positive audit.
3. Acceptance of Minutes – December 2, 2024 and December 9, 2024 – **On a unanimous roll call 9-0, voted** to accept and approve the minutes of the December 2, 2024 and December 9, 2024 City Council meetings.
4. Public Comment Session – There were two speakers: Petra Huda (Follow up FY23 Audit Report/FY26 Budget); and Sue Sterry (Cemeteries).
5. **On a unanimous roll call 9-0, voted** to suspend the rules to bring forward Item XV. A.1. – Guidance to the City Manager regarding the FY26 Budget.
6. Guidance to the City Manager regarding the FY26 Budget – Moved that the City Council adopt the following guidance for the City Manager for FY26 Budget:
  - Target 3.5% as the increase in total expenditure
  - No increase in headcount unless the position is self-funding; and,
  - If the target will result in a loss of the current level of services, provide details and explanation from affected departments to the City Council

On a roll call vote 3-6, motion to amend for a target of 0% increase for the FY26 Budget **failed** to pass. Councilors Denton, Blalock and Mayor McEachern voted in favor. Assistant Mayor Kelley, Councilors Tabor, Cook, Bagley, Moreau and Lombardi voted opposed.

Moved to amend the original motion for a budget target of 2.9% as the increase in total expenditure and the City Manager provide details on what a 0% increase would mean for loss in services.

**On a roll call 8-1, voted to pass the main motion as modified.** Assistant Mayor Kelley, Councilors Tabor, Denton, Blalock, Bagley, Moreau, Lombard and Mayor McEachern voted in favor. Councilor Cook voted opposed.

*Adopt the following guidance for the City Manager for FY26 Budget:*

- *Target 2.9% as the increase in total expenditure*
- *No increase in headcount unless the position is self-funding; and,*
- *If the target will result in a loss of the current level of service, provide details and explanation from affected departments to the City Council*

7. First Reading of Ordinance amendment to Chapter 10 – Zoning Ordinance – Zoning Map, Article 4, Zoning District and Use Regulations, Section 10.421 – District Location and Boundaries, Section 10.421.10, be amended to remove 185 Orchard Street, Tax Map 152, Lot 2-1 from the Historic District Overlay – **Voted** to pass first reading and schedule a public hearing and second reading of the proposed Zoning Map amendment at the February 18, 2025 City Council meeting.
8. City Appointment to Seacoast Commission on Long-Term Goals and Requirements for Drinking Water – **Voted** to appoint Albert Pratt, Water Resources Manager, as the City of Portsmouth’s representative to the Seacoast Commission on Long-Term Goals and Requirements for Drinking Water.
9. Parking Agreement for Strawberry Banke Museum – **Voted** to authorize the City Manager to negotiate and enter into a Parking Agreement with Strawberry Banke in a form similar to the attachment in the City Council packet of January 21, 2025.
10. Request for Public Hearing on Elderly Exemptions – **Voted** to schedule a public hearing on February 3, 2025 City Council meeting.
11. Request for Public Hearing on Disabled Exemptions – **Voted** to schedule a public hearing on February 3, 2025 City Council meeting.
12. Request for Public Hearing on the Drinking Water State Revolving Fund Loan – **Voted** to schedule a public hearing at the February 3, 2025 City Council meeting to authorize the borrowing of up to \$3,500,000.00 from the New Hampshire Drinking Water State Revolving Fund to assist customers and galvanized service line replacements and fund service line inventory compliance efforts.
13. Consent Agenda – **Voted** to adopt the Consent Agenda as presented.
  - A. Letter from Latrice Smith, National Multiple Sclerosis Society, requesting permission to hold the 2025 Walk for MS on Saturday, May 31, 2025 (***Anticipated action – move to refer to the City Manager with Authority to Act***)
  - B. Letter from Jenna Raizes, Portsmouth Little League, requesting to add signage at three City fields: Central Field, Plains Field, and Hislop Field (***Anticipated action – move to refer to the City Manager with Authority to Act***)
14. Email Correspondence – **Voted** to accept and place on file.

15. Appointments to be Voted – **Voted** to reappoint Jeff Stern to the Board of Library Trustees until October 1, 2027; appointment of Bill Bowen as a Regular Member of the Planning Board until December 31, 2027; reappointment of Anthony Coviello to the Planning Board until December 31, 2027; appointment of Ryann Wolf to the Planning Board until December 31, 2027; appointment of Frank Perier as an Alternate to the Planning Board until December 31, 2027; appointments of Frederick Calcinari and Rhianne Tallarico to the Sustainability Committee until January 1, 2027; and reappointment of Thomas Watson to the Trustee of the Trust Funds until January 1, 2028.
- Reappointment of Jeff Stern to the Board of Library Trustees
  - Appointment of Bill Bowen to the Planning Board
  - Reappointment of Anthony Coviello to the Planning Board
  - Appointment of Ryann Wolf to the Planning Board
  - Appointment of Frank Perier as an Alternate to the Planning Board
  - Appointment of Frederick Calcinari to the Sustainability Committee
  - Appointment of Rhianne Tallarico to the Sustainability Committee
  - Reappointment of Thomas Watson to the Trustee of the Trust Funds
16. Request for First Reading regarding Adoption of Fees Ordinance – **Voted** to bring forward Adoption of Fees Ordinance for First Reading at the February 3, 2025 City Council meeting.
17. Student Government Day – Councilor Blalock announced that the dates for Student Government Day 2025:
- Saturday, February 1<sup>st</sup> at 9:00 a.m. - Student Senate meeting to promote participation
  - Thursday, March 13<sup>th</sup> at 2:45 p.m. – Organizational Meeting with students at Portsmouth High School Library
  - Monday, March 17<sup>th</sup> at 7:00 p.m. – Students will shadow City Council during regular meeting
  - Tuesday, March 25<sup>th</sup> at 7:00 p.m. – Students will shadow School Board during regular meeting
  - Friday, March 28<sup>th</sup> – Student Government Day followed by mock City Council meeting
18. Acceptance of Overwatch .Gov Grant Award - \$10,000.00 – **Voted** to approve and accept the Grant as presented.
19. Acceptance of Donation for the Restoration of Old North Cemetery from the David and Jaqueline Mahoney Fund - \$10,000.00 – **Voted** to approve and accept the Donation as presented.
20. City Manager Informational Items:

*Pease Development Authority Board Meeting Update – City Manager Conard reported that Port City Air will be making significant improvements to their hanger beginning July 1, 2025. She announced that Boston Med Flight is coming to the Tradeport and will be providing services to northern New England beginning March 1, 2025. She advised the City Council that Eversource is increasing their capacity and infrastructure at the Tradeport. In addition, she reported that the Air National Guard Tower is the 9<sup>th</sup> busiest tower in the world. In closing, she advised the City Council that the Portsmouth Commercial Fish Pier building is constructing a new 6,000 square foot building and that there will be no PDA meeting in February.*

*New Procurement Platform Update – City Manager Conard announced that the new on-line procurement platform has gone live.*

*Report Back on Sweetser Request – City Manager Conard advised the City Council that the recent Sweetser Request was not seeking reimbursement for services provided but a fundraiser request and the Welfare Director will work with them to see if they qualify for our Social Services Program.*

21. Miscellaneous Business Including Business Remaining Unfinished at Previous Meeting – Councilor Tabor announced that the city won the Housing Champion Award which included \$64,000.00 that will be used to audit and review all of our zoning to find ways we can create more housing. He advised the Council that there will be a public process component for the changes.

22. Adjournment – At 8:20 p.m., **voted** to adjourn the meeting.

Respectfully submitted by:

Kelli L. Barnaby, MMC/CNHMC  
City Clerk