

This set of minutes was approved at the December 6, 2010 Town Council meeting

**Durham Town Council
Monday November 1, 2010
Durham Town Hall - Council Chambers
7:00 P.M.
MINUTES**

MEMBERS PRESENT: Council Chair Diana Carroll; Council Vice Chair Neil Niman; Councilor Julian Smith; Councilor Peter Stanhope (arrived at 7:05 pm); Councilor Mike Sievert; Councilor Robin Mower; Councilor Doug Clark; Councilor Jay Gooze; Councilor Bill Cote

MEMBERS ABSENT: None

OTHERS PRESENT: Town Administrator Todd Selig; Business Manager Gail Jablonski; DPW Director Mike Lynch; Police Chief Dave Kurz; Jim Campbell - Director of Planning and Community Development; Tom Johnson - Director of Zoning, Building Codes & Health; Library Director Tom Madden; Town Clerk Laurie Pitt

I. Call to Order

Chair Carroll called the meeting to order at 7:03 pm.

II. Approval of Agenda

Councilor Smith MOVED to approve the Agenda as submitted. Councilor Mower SECONDED the motion, and it PASSED unanimously 8-0.

III. Special Announcements

None

IV. Approval of Minutes

September 27, 2010

Councilor Mower MOVED to approve the September 27, 2010 Minutes. Councilor Cote SECONDED the motion.

Councilor Stanhope arrived at 7:05 PM.

Page 4, 6th paragraph, should read “..of the Town’s agreements with NHDES...”

Page 5, 5th full paragraph, should read “Chair Carroll said she thought Councilor Niman,

when he was the Council Chair, had been invited to meetings with Administrator Selig and UNH President Mark Huddleston.”

Next paragraph, should read “Councilor Niman said he had not been invited to any monthly meetings when Administrator Selig and Mark Huddleston met, but he had, as Chair, met with Mark Huddleston several times.”

Page 16, 4th paragraph, should read “...had been rented to young adults who had just graduated from Oyster River High School.”

Page 17, 1st full paragraph, should read “Administrator Selig said the communities of Keene, Berlin, Plymouth, and Hanover were...”

3rd full paragraph, should read “...there were about 150 properties or more that could be a problem, and...”

The motion to approve the September 27, 2010 Minutes as amended PASSED unanimously 9-0.

V. Councilor and Town Administrator Roundtable

Councilor Mower said the Energy Committee wanted to extend its thanks to Administrator Selig regarding the fact that the Town had entered into two one-year contracts with Constellation NewEnergy for electrical supply (wholesale) power purchase, which should save the Town over \$43,000 over the next twelve months.

She said the Energy Committee had received a presentation from a young entrepreneur who was the founder of Campus Bike Share (CAMBIS) and had a vision of a UNH/Durham bike sharing transportation system that might be compared to the Zip Car model. She said having a sufficient density of users was key to the success of such a program. She noted that successful bike programs had made the streets of some European cities healthier, less congested, and more sustainable.

Councilor Mower said there were more than 100 US cities hosting such programs, and also noted that bicycle use in Town appeared to have increased over the past year. She said the presenter had said he'd collected 1500 signatures at UNH from bike enthusiasts in 3 hours and she also said his presentation before UNH had been well received. She also noted that the local Department of Transportation office now provided bicycles for employees so they would have quick access to the downtown for meetings.

She said the Energy Committee was interested in talking with UNH and this entrepreneur to see what might be possible, moving forward. She said her understanding was that Capstone might be interested in this idea as well, but said it wasn't clear whether Town/UNH plans would fit with the company's time frame.

Councilor Mower said there was a vacancy on the Energy Committee, and said this might be of special interest to people who were interested in the PACE program. She noted that as a member of the Energy Committee, they could have some influence on the way this program proceeded in Durham.

Councilor Cote said that in Keene, an entrepreneurial employee at the DPW had acquired a significant number of bicycles that were then reconditioned and made available for use on the Keene State campus and in the city. He said the program had been very successful.

Councilor Mower noted that universities had gone through a number of generations of models to try to make this kind of thing work. She said there had been challenges to overcome, and said the “Cadillac” version involved things like kiosks and credit cards.

She said the question was what program could be done on a more limited basis, also noting that there needed to be enough locations to make it appealing and useful, and that there were challenges like the weather and how to create bike lane safe routes throughout the downtown. But she said the Energy Committee was very interested in this idea, and said people were welcome to come to the committee’s next meeting to find out more about it.

Councilor Smith first noted that he had attended the rally in Washington, D.C. “To Restore Sanity” (and/or fear), and said it was a great event. He then updated the Council and residents on the Planning Board’s October 27th meeting.

He said the Planning Board held a public hearing regarding proposed amendments to a previously approved Site Plan application and Conditional Use application for a proposed mixed use building at the corner of Madbury Road and Pettee Brook Lane. He said the change would be to permit a partial fourth floor that would be limited to commercial use and to not include the basement that was previously proposed. He said the Board would deliberate on these two applications at its November 10th meeting.

Councilor Smith said the Planning Board held a public hearing on the Council initiated Zoning change that would require that subdivisions done in the MUDOR and ORLI districts must conform to the conservation subdivision regulations. He said the deliberations on the proposed Zoning change would take place at the November 10th Planning Board meeting, and said this would then come back to the Council for action in December.

He said the Board held a conceptual consultation with John Acken of Capstone Development concerning a proposed site plan for a development that would involve residential cottages and duplexes. He said Capstone proposed to build approximately 100 cottages and duplexes with about 600 beds. He said Mr. Acken indicated that the company planned to submit the official plans to the Board by the end of the year, so public hearings would be held early in 2011.

Councilor Smith said a key issue the community should be interested in was that this was Capstone’s first project in New England. He noted that they planned to have 9 ft ceilings, and said the company would need to get a lot of good advice on building for this climate. He also said Capstone planned to supply 1.05 parking spaces for each bed, despite the fact that the development would be served by Wildcat Transit, and that the University was trying to discourage students from bringing cars. He said Mr. Acken had explained that this ratio was something that banks would insist upon before making loans.

Councilor Smith noted that every bedroom was supposed to be big enough for a queen size bed even though occupancy was limited to one person per bedroom. He said this could result in some crowding if tenants shared bedrooms. He also said part of the plan was that every bedroom would be the same size in order to avoid arguments among tenants. He said the living areas tend to be small, which would discourage partying.

Councilor Smith said he had checked the company's website, and found the slogan "Your house, your rules". He suggested not promoting that idea in Durham. He said this would be a significant project, and recommended that members of the Council should take an interest in it when it came before the Planning Board.

Councilor Mower noted that Councilor Smith's comment concerning proposed 9 ft ceilings was in regard to the issue of heating the apartments.

Councilor Smith encouraged the Energy Committee to follow this project, stating that no solar gain was proposed as part of the project, and that it might be an excellent location for south facing roofs. He said Capstone offered some wonderful opportunities to the community in terms of generating tax dollars and drawing students away from residential neighborhoods. But he said the design so far was not tailored to the physical, social, and cultural sensibilities of a New England college town. He said this was worth paying attention to.

Councilor Mowers said Capstone had indicated that the architect and materials procurer had LEED certification, although the company was not planning to build LEED certified buildings. She said she agreed with Councilor Smith that the company had not fully adapted their plan to the environment.

Councilor Gooze noted a concern that people would park there and then take the shuttle to campus, and that the suggestion was made about a possible permit system so that this wouldn't occur.

There was discussion, with Councilor Mower noting that the company had used this system elsewhere. Councilor Smith said he had suggested the idea of a gated community.

Councilor Gooze noted that this would be a Conditional Use project, so the Planning Board would have tremendous flexibility in terms of approving the project. He said he hoped that whatever was decided, the Board would stick to its guns in terms of what was important to the Town.

Councilor Gooze reported that the Rental Housing Commission had cut back on the number of meetings and would not meet until December. He said a number of residents had come forward to say that with the extra enforcement that had been taking place, there had been a significant improvement in the neighborhoods, with fewer parking issues and less noise. He said the extra enforcement appeared to be working, and said it was hoped that the Town wouldn't have to go any further than this.

Councilor Sievert said the Parks and Recreation Committee was in the process of hiring a replacement for Mike Mengers, and was down to two finalists. He also said the Committee was pushing ahead on a project at Wagon Hill, and also said they had decided that the Parks and Recreation Department would not take over the Light Up Durham event.

Chair Carroll asked for clarification on this, and there was discussion. Councilor Sievert said the Committee felt that it would be too much for a part time Director to do, and also didn't want to take it on themselves. He noted that the Recreation Department and the Durham Business Association hadn't seen eye to eye on it.

Administrator Selig said the Seacoast Repertory Theatre had some interest in doing something regarding the event this year.

Chair Carroll said the Seacoast Repertory Theatre had done some wonderful outreach to the community during the holidays last year, with an incredible program with lots of talent, including young people in Town, and great audiences.

Administrator Selig said a member of the Seacoast Repertory Theatre board of directors had contacted him and asked if the Town would be open to Seacoast Rep evaluating whether it might do something for Light Up Durham. He emphasized that the organization was simply considering this right now.

Councilor Cote said the previous Thursday, he had stopped at the park near the Wiswall dam on a 70 degree day, and had found 5 people fly fishing there. He said he spoke to a man there who had seen the new kiosk there and had enjoyed it very much, and also said it was his favorite fishing spot.

Chair Carroll thanked Dick Lord and the other Wiswall Historic Interpretation Committee members for the wonderful displays that had been created for the kiosk at the park.

Councilor Mower noted that this was the John Hatch Memorial park, and said the influence of this prominent community member was still being felt.

There was discussion on whether there should be a presentation before the Council on the work that had been done and the wonderful displays at the park. Councilor Mower said it was better to see them in real life, and Councilor Cote suggested that something could be included about them in the Friday Update.

Chair Carroll said Michelle Hovey, a resident of Durham for many years with her husband Scott Hovey, a former Town Councilor before moving to South Carolina, had recently passed away. Chair Carroll said she had corresponded with Mr. Hovey to let him know that Durham residents had been sad to hear of his loss.

Administrator Selig reminded everyone that Election Day would be held the following day, and provided details on the polling hours.

Councilor Smith, Councilor Mower, Councilor Gooze and possibly Councilor Sievert said they would be there to help with the hand count if needed.

Administrator Selig said he would provide a brief overview of the Budget and CIP, and noted that both were now on the Town website, and were also available in hard copy form at the Town Hall and the Town Library.

He noted an email he'd recently circulated to Councilors, the EDC and various officials at UNH on two options for a proposed structured parking facility at C lot, one of which had the Fire Department facing Quad Way and the parking structure facing Mill Road, and the second which had the Fire Department facing Mill Road and access to the parking structure off of Mill Road and Quad Way.

He said UNH's strong preference was the option where the Fire Department faced on Mill Road, because they wanted to try to keep Quad Way as primarily for pedestrian use. He asked if the Council would like to discuss this issue. He noted that it was feasible to do a combined parking structure/ Fire Department facility at C lot. He said if there was an interest in pursuing this, they could have their architect do an initial fleshing out of the design, and said ideally this would be done for only one of the options, for cost reasons.

Councilor Gooze said it looked like the design where the Fire Department faced on Mill Road would be significantly more expensive, and he provided details on this.

Administrator Selig said that was correct but said there was no idea yet how much more expensive it would be. He said UNH was open to continuing discussion, but said facing the Fire Department on Mill Road was their initial preferred design.

Councilor Clark said the parking structure at C lot would only work for Durham if there were really easy access to Mill Road and Main Street. He said he hoped they were prioritizing what the point of the parking structure was from the Town's perspective, which was to allow people to access the downtown.

Administrator Selig noted that this was the second set of iterations of the plans, and said the first set had the Fire Department accessing Mill Road and a separate parking structure facing Quad Way. He said these plans had been revamped to be more reflective of Town goals.

Councilor Clark noted the B. Dennis plan said the Town was better off with more roads, and said it seemed logical that if Quad Way could be more of a road because the Fire Department had access off of it, this would be better for the Town because it would provide another street, and a less crowded street for the fire trucks to use.

Councilor Sievert said he agreed and said he didn't think the project met the Council's goals, or was viable unless the parking garage faced on Mill Road. He said he wasn't saying that the Fire Department should come out at Quad Way, but said facing the Fire Department on Mill Road would have a major traffic impact. He said he wasn't sure that

putting a parking garage over the Fire Department was a great idea, although he was all for the garage itself. He said he wasn't sure the Fire Department fit there.

Councilor Mower asked if there had been discussion about the potential for the intersection of Quad Way and Main Street to become a true "square-about," which would allow trucks coming out of Quad Way to have easier access to the west part of the campus than they would have coming out of Mill Road. She noted that there had been significant discussion about the relevance of the Fire Department location in terms of response time, and said she hoped this would be considered.

Councilor Gooze said he agreed with Councilor Sievert, and said the idea with the parking garage would be for it to face the Plaza and the Town. He said the second design tried to work something out concerning that, but said it still wasn't really Town oriented.

Councilor Mower said it sounded like the Council did want to discuss this issue further before making a major expenditure of money.

Councilor Clark agreed, and said he wouldn't want the Fire station plans to impede the Town's options regarding a traffic pattern downtown. He noted ideas about making Main Street either a two way street or a pedestrian way, and said if fire trucks came out Mill Road and needed to head west, this could cause problems regarding plans for Main Street.

He also said that when he had heard these designs were going to be developed, he had imagined people parking up a few levels at the parking garage and then taking some kind of skywalk to Main Street, which would mean there would be easy access to the downtown. He said he worried that the Town would have an expensive parking structure and the only way to get downtown would be to walk down four flights of stairs, cross Mill Road and walk up to Main Street. He said if that happened, no one would use it.

Councilors agreed that there would be further discussion on this issue at a future Council meeting.

There was discussion that the Library subcommittee had chosen the architectural/design/build firm for the new Library. Administrator Selig said a question that would need to be answered was what size library would be acceptable to the community, and said this would drive a lot of the design. He recommended setting some time aside for the Council to discuss this. He noted that this project had budgetary implications for the Town over the long-term.

Councilor Mower asked how input would be obtained from the community on this issue, and Administrator Selig said Library Board of Trustees Chair Doug Bencks could provide information on this. He also noted that the Trustees were planning an elaborate outreach process.

Chair Carroll said this item would be put on the Agenda for the following week, and said Councilors would have the opportunity to speak with Mr. Bencks at that time.

Administrator Selig noted that two weeks ago, he and other Town staff had met with NHDOT staff for two hours regarding the planned resurfacing of Route 4 from the Lee traffic circle to the Durham Business Park. He said the work would also involve rehabilitation of bridges and crossings along this route, and said there were implications for the Bagdad Road overpass that crossed Route 4.

He said the DPW had arranged a meeting with the School District about this, and said it was likely that there would be a detour for about 5 weeks. He provided details on this, and said it didn't appear to be an issue from a logistical perspective.

Administrator Selig noted that there was discussion at the NHDOT meeting on the Route 4 Safety Study that was done 10 years ago. He said he thought there would be some positive features as a result of the work done that would address some of the issues from that study. He asked if Councilors wanted a detailed presentation from NHDOT on what it was proposing to do, and noted that the Friday Update included details on this.

Councilor Gooze said nothing the Council was going to do would change anything, and said he was fine with what he had heard.

Administrator Selig spoke briefly about that fact that a speed table was now in place on Edgewood Road, toward Emerson. He also said he would love to get a bike program such as the one he had seen in Montreal the previous year. He noted the yellow bike program that the UNH Sustainability program had developed some years back, and said unfortunately students had trashed the bikes. He said something proposed now would be a different kind of model, where there would be a financial disincentive to trash the bikes.

Councilor Gooze said Washington, D.C. had a Zip bike program his son-in-law used a lot, and Councilor Mower asked Councilor Gooze to provide information on this program to the Energy Committee.

Administrator Selig noted that the Council Communication for Agenda item VII B regarding the Depot Road parking lot should say "Utilizing funds from a Brownfields Grant, the Public Works Department completed stabilization of the site...", not remediation of the site. He provided background on the contamination issues at the site, and explained that the site has been slowly self-attenuating, especially because of the parking lot cap that had been placed on the contaminated area.

He said it wasn't known whether at some point the Town would have to do a major remediation of the site. He said about \$210,000 had been put in the Depot Road Parking Lot Fund to date, and said given the fact that the Town was in the midst of recovering from the recession, it was requesting to utilize some of those funds to offset General Fund expenditures. He said this would apply for both 2010 and 2011.

Councilor Clark noted the item under Unanimous Consent Agenda Item VII A on adopting an energy efficiency and clean energy district and asked for assurances that there were no strings attached to doing this designation.

Councilor Mower said Resolution #2010-18 simply authorized and empowered the Town to create the district, but didn't require this.

Administrator Selig said it was a similar approach to the creation of the TIF district.

Councilor Mower noted it was somewhat different in that the district would encompass the whole Town.

Administrator Selig briefly showed some slides highlighting his recent trip to San Jose, CA for the International City and County Management Association conference. The slides included a LEED certified city hall, building, parks, fountains, light rail, landscaping, a river walk, and public art.

He said there had been a tour of the LEED certified Adobe headquarters, which among other things incorporated windmills to generate electricity for the facility. He said it would be great to do something like this in Durham. He said they also took a tour of Google's national headquarters, where among other things there were solar panels that covered the cars parked there, and a bike program for employees.

Councilor Gooze noted that all of the applicants for the Library project were LEED certified.

Councilor Mower said typically, this was more expensive in the short term.

Councilor Sievert asked if the plan was that the new Library would be LEED certified.

Administrator Selig said 3-4 years ago, the Energy Committee had recommended endorsing LEED certification. He said at the time, he had said he would support any Town buildings being LEED certified, and said it was important to set this standard.

Councilor Mower said they might not necessarily take the position of the Library building being LEED certified. She said there were questions about LEED certification being the only way to go, but said the LEED principles were certainly appropriate. She noted that as she had learned at the tour of James Hall, it was an expensive approach. She said it might be that the Library building didn't get the certification, but said there certainly was a value to the Town in having LEED certification. She said it was something they all would need to discuss.

Councilor Gooze said the committee just wanted to be sure that if the Town wished the building to have LEED certification, the firm that was chosen would be able to do this.

NOTE: The Council and Town Administrator Roundtable ended at 7:57, twelve minutes later than stipulated on the agenda.

VI. Public Comments (NLT 7:45 PM)

Erica Mantz, UNH Director of Media Relations, noted that she had spoken before the Council the previous year, and was here again to discuss the efforts of the “Durham It’s Where U Live” program, and making the UNH campus feel more open to the broader community. She noted that they had partnered with a community leadership class at UNH to evaluate where their focus might be, now that they weren’t dealing with student riots downtown. She said they would be doing some focus groups or one on one interviews, and said the students were eager to be part of the solutions.

She said there were some great things happening at UNH these days for residents: faculty that participated in over 120 engagements this year around the State; student teachers in classrooms throughout the district; summer opportunities for kids; free library card for Durham residents; events at the Paul Creative Arts Center, including free entry to the Museum of Art; movies at the Memorial Union building for \$4.00; online email newsletter - *UNH Today*; online resource guide at WWW.diwul.org; free parking at UNH after 6 pm; free shuttle buses from the UNH Visitor Center; C lot is also available for now for short term paid parking; Wildcat Transit is open to the public for \$1.50/ride, and is a great way to get to Portsmouth and other local towns for the day. (The schedule is online at: www.unh.edu/transportation).

Councilor Gooze noted that parking on the UNH campus wasn’t free at 6 am, when people might want to use the exercise facilities, and Ms. Mantz said she would pass this on to the appropriate people at UNH.

Councilor Mower said people would be happy to use the Diamond Library if they knew more about it. There was discussion on the accessibility of online databases for Durham residents.

Chair Carroll noted that there was free parking at UNH on Saturday and Sunday. She then thanked Ms. Mantz for stopping by and sharing some of the things residents hadn’t really known about UNH, despite the fact that they were close neighbors.

Bill Hall, Smith Park Lane, referred to the recent Council discussion with NHDES's Paul Currier on the 401 certificate, and said it had been an amazing experience. He noted that Mr. Currier had said that the instream flow rules would replace the 401 certificate, but said there was a letter from a few years back that said the 401 certificate would be updated as well as the instream flow rules. He said the Town would run into a multimillion brick wall if the Council didn’t get on the stick, and said these issues had been handled very badly in the past.

VII. Unanimous Consent Agenda (*Requires unanimous approval. Individual items may be removed by any councilor for separate discussion and vote*)

- A. **RESOLUTION #2010-18** adopting the provisions of RSA 53-F and designating the Town in its entirety as an “Energy Efficiency and Clean Energy District”
- B. **RESOLUTION #2010-19** amending the special revenue fund entitled “Depot Road” to restrict ten percent of the revenues from the Depot Road parking lot for the long-term maintenance and environmental cleanup of the parking lot and allow ninety percent of the revenues collected to be deposited into the general fund
- C. Shall the Town Council, upon recommendation of the Town Administrator, approve a non-industrial wastewater discharge permit application for the 10 Pettee Brook Lane redevelopment project?

There was discussion that VII C on page 2 should say “...upgraded to a 6-inch water main.”

Councilor Mower MOVED to approve Unanimous Consent Agenda Items VII A and B. Councilor Smith SECONDED the motion, and it PASSED unanimously 9-0.

Councilor Sievert recused himself from voting on Unanimous Consent Agenda VII C.

Councilor Mower MOVED to approve Unanimous Consent Agenda Item VII C. Councilor Smith SECONDED the motion, and it PASSED unanimously 8-0.

VIII. Committee Appointments

- A. Shall the Town Council appoint Gregory M. Betts as a regular member on the Durham Cable Access Television (DCAT) Governance Committee?

Councilor Clark MOVED to appoint Gregory M. Betts as a regular member on the Durham Cable Access Television (DCAT) Governance Committee. Councilor Cote SECONDED the motion.

Councilor Niman said he would vote no on the appointment, and encouraged other Councilors to do so as well. He said he could provide his reasons for this under nonpublic session.

Councilor Mower said it would set a bad precedent to follow such advice, and said it would be helpful if Councilor Niman could make a statement that would give the Council some guidance.

Chair Carroll said they could either go into nonpublic session or discuss this now.

Councilor Mower said to the extent that Councilor Niman was on the DCAT Committee, she respected his opinion.

Councilor Niman said his concerns had to do with the suitability of the individual for the position, and said he would prefer not to speak about this matter in public.

After further discussion, it was agreed to table this matter until the end of the meeting and go into nonpublic session at that time.

Councilor Mower moved to Table Item VIII A until the end of the meeting. Councilor Sievert SECONDED the motion, and it PASSED unanimously 9-0.

- B. Shall the Town Council appoint Andrew Corrow, 139 Durham Point Road, as an alternate member on the Planning Board?

Mr. Corrow explained that he had grown up in Madbury and had recently retired from the United States Army. He noted that during his career he received a Masters of Public Administration at UNH. He said Durham was a great community and he was glad to be back in the area and start the next chapter of his life.

Councilor Mower asked Mr. Corrow how he thought his public administration degree could be applied to the Planning Board.

Mr. Corrow said he hadn't used these skills working for a municipality, but had quite a bit to offer in terms of strategic planning, based on his work and the classes he had taken.

Councilor Smith MOVED to appoint Andrew Corrow, 139 Durham Point Road, as an alternate member on the Planning Board. Councilor Mower SECONDED the motion, and it PASSED unanimously 9-0.

Chair Carroll thanked Mr. Corrow for stepping forward to serve.

IX. Presentation Items

- A. Receive annual report of the Economic Development Committee – Tom Elliott, Chair

Mr. Elliott said the one page summary he had provided summarized a lot of effort on the part of the EDC over the past year. He said it was a great honor to serve the Town, and said he looked forward to serving the rest of his term and on into the future. He said there were a lot of exciting things going on, and said he would highlight a few of them.

He said the EDC was focusing on 4 areas, with the first being a town-wide market study, which would emphasize a commitment to information-based decision-making. He said members of the EDC were very skilled at research and evidence based policy-making and thoughtful decision-making. He noted that there were a lot of ideas about what Durham could become, but said an independent analysis of this was needed.

Mr. Elliott said the 2nd focus of the EDC was on the Business visitation and retention program, involving over 20 volunteers. He said this represented the committee's

commitment to voluntarism and having many voices and interests at the table working toward economic development in Town.

Mr. Elliott said a 3rd focus of the EDC was on downtown parking. He said the committee was very action oriented, and said he was proud of the work that Town staff and volunteers had done to get the Pettee Brook Lane changes implemented so quickly to make a positive impact on downtown Durham.

He said the Council would hear more in the coming months about changing the parking permit system to allow downtown businesses more flexibility and options, and easier access to use the parking resources. He noted that the EDC believed the permit parking system was a critical economic development resource.

Mr. Elliott said a 4th focus of the EDC was to sustain the momentum that had been developed. He said voluntarism could only go so far, and said the committee believed that an investment in a half time EDC position was critical in order to sustain this momentum. He said EDC members were doing great work and were getting a lot done, and noted that Mr. Campbell and Administrator Selig were working closely with them.

Councilor Sievert asked if there would be a summary report available on the Business visitation and retention program interviews.

Mr. Elliott said yes, and noted that more than half of the interviews had been completed. He explained how this information was being provided to the consultant, and also said the EDC was continuing to add businesses to the list that needed to be interviewed.

Councilor Clark said there were two big things the Council could do to move things along. He said the EDC had grand ideas and big plans, but said money was needed to pay for them. He spoke about the idea of having a TIF district as a way to provide some of the financing.

Mr. Elliott noted that Mr. Campbell would be providing the EDC with an overview of Tax Incremental Financing (TIF) soon.

Councilor Clark said some neighboring towns had taken really good advantage of TIF districts. He said Durham was seeing development in its Central Business District, and said if there were a TIF district, there would be a way to pay for infrastructure improvements that were needed there. He said the EDC hoped to put a proposal together for this.

Councilor Mower said Councilors would like to hear about this as well.

Mr. Elliott noted that he had met with the young entrepreneur who was working on the rent a bike concept. He said this was a good example of what Durham was and could be, as an entrepreneurial oriented town.

Chair Carroll thanked Mr. Elliott and the other members of the EDC for the work they were doing. She noted that the committee was interested in new businesses as well as expanding existing businesses, had reached out to the Energy Committee and people like the bicycle entrepreneur, and had also reached out to the Farmers Market.

She said the EDC had supported the Farmers Market's move to Mill Plaza, which had benefited it as well as the businesses at Mill Plaza. She said businesses there had seen their receipts go up on Mondays when the market was held, and also didn't see them subsequently go down on Tuesdays. She said the EDC had taken a very holistic approach, and said this was appreciated by the Town.

Councilor Clark said the EDC needed a way to sustain its efforts, and said a staff member, even if it was part time, should be seriously considered. He said this would ensure that everything possible was being done to get economic development activities happening in Town. He said it was important to court potential businesses and developers, and to make sure the Town was being truly responsive to their needs and was finding better ways to align them with the Town's needs.

Councilor Gooze asked if Mr. Elliott needed to be available when the Council discussed the part time economic development position in the Budget.

Mr. Elliott said he would be present in strong support of that position.

Administrator Selig said there were a series of Budget work sessions mapped out, and said if the Council wanted detailed discussion on the economic development position, it could invite the EDC to a work session.

Mr. Elliott said some economic development professionals from other towns planned to speak with the EDC on November 22nd about metrics of success and how their work had been good for the tax base. He said a goal was also to get their perspectives on how this could work in Durham.

The Council stood in recess from 8:36 – 8:46 pm.

B. Status of the Durham wastewater treatment and collection system
– David Cedarholm, Town Engineer

Mr. Cedarholm first said the water issues the Town was facing paled in comparison to what it was facing on the wastewater side. He then provided a slide presentation to the Council. (This slide presentation is available from the Department of Public Works.)

He said three NHDES studies pointed to total nitrogen as the main culprit in the decline of Great Bay, but said the puzzle wasn't solved yet. He said the nutrient loading analyses NHDES had done pointed toward treatment plants as discharging 25-30% of the nitrogen into the estuary, and 70-80% of it coming from nonpoint stormwater.

He said this meant that if the Town was able to cut the amount of nitrogen discharged from the wastewater treatment plant in half, this still would not take care of about 75% of the nitrogen that was coming from nonpoint sources. He said a problem was how to attack both nonpoint and point sources, and said a key approach was to address them on a watershed basis. He noted the work being done by the Southeast Watershed Alliance.

Mr. Cedarholm said the wastewater treatment plant NPDES permit would be based on the water quality criteria being developed by NHDES to specifically address nitrogen, phosphorus and turbidity. In response to a question from Councilor Clark on the possible issue of the science being flawed, Mr. Cedarholm said a question was whether nitrogen was the primary reason for the impairment of Great Bay.

He explained that NHDES and EPA were struggling with what the allowed limits were going to be, and were currently not on the same page concerning the science involved. He also noted that Towns needing to upgrade their wastewater treatment plants wanted to make sure that the money they would be spending would actually correct the problem.

Councilor Clark said the data indicated that it was better to spend the money on addressing nonpoint pollution in stormwater, and Mr. Cedarholm said the big question was how to pull nitrogen out of stormwater.

DPW wastewater treatment plant employee Dan Peterson next presented slides that provided a brief tour of the Durham wastewater treatment plant. (This slide presentation is available from the Department of Public Works.) He noted that it was the premier plant in the watershed, and removed more nitrogen than any of the others towns and cities in the area.

After the presentation, Councilor Mower asked how much better Durham's plant was doing at removing nitrogen than the next best plant, and he said Durham was doing a job twice as good. Councilor Mower also asked if there was any reason that someone might complain about odors from the wastewater treatment plant, noting that the Durham Business Park was located next to it.

Mr. Peterson said it was still after all a wastewater treatment plant, but said a lot of steps had been taken to control the odors as much as possible. He said keeping the plant fine-tuned made a big difference, and said the employees worked as a team to make this work. He said odor had been a problem when the Town first purchased the Durham Business Park property, noting that the wastewater treatment plant was the first in the country to compost sludge on site. He said a sludge holding tank was put in, in 2003, and said the sludge was now shipped to Ashland, NH.

Councilor Mower asked if there was any chance that a portion of the sludge being sent to Ashland could be combined with the UNH composting program.

Mr. Cedarholm said UNH composted only food wastes, and then provided details on what was involved in composting bio-solids at the Ashland plant. He said this sludge was composted along with Plymouth's sludge, and said the farmers loved it.

Councilor Mower noted that the Town had representation on the Southeast Watershed Alliance, but didn't have a formal representative on the Bellamy and Oyster River Watershed Protection Program. She asked Mr. Cedarholm if he had any observations on this.

Mr. Cedarholm said he didn't, and wasn't involved with that organization. He said this would be a good thing to bring up with the Town's Water Resource Protection subcommittee of the Planning Board.

Councilor Mower said if the Town was addressing nitrogen loading on a watershed basis, there were clearly a number of watersheds they would want to share the burden of protecting with other towns.

Councilor Stanhope noted the work currently being done at the Dover Road pump station, and asked what it contributed to the system.

Mr. Cedarholm explained the difficulty of cleaning the existing wet well at the pump station, and said a new wet well was being installed that would be self-cleaning. He said this should result in a big improvement in terms of the ease of doing the cleaning, and should reduce the odors at the pump station.

Councilor Stanhope said the odor issue was overblown. He also noted that the footprint of the pump house was being expanded, and determined that the additional area was where the new technology would be located.

It was explained that once that work was done, the only thing one would see would be two stainless steel hatches because everything else would be below ground, and the footprint from the road would look about the same.

Administrator Selig noted the new gabled roof on the building, and Mr. Cedarholm said this upper area would be used to store some DPW files.

Councilor Cote asked if the Town derived any money from the sludge that was shipped to Ashland, and Mr. Cedarholm said no. He said it cost the Town \$55/ton to truck it away. He said the alternative was to pay \$75/ton to take it to a landfill. He spoke about an innovative conveyor system that was developed to work RMI, the company that hauled the sludge to Ashland.

Chair Carroll thanked Mr. Peterson for his presentation, and also thanked the staff at the wastewater treatment plant for the work they did.

Peter Atherton of Wright Pierce next provided a slide presentation on the issues concerning the Town's wastewater treatment plant. (This slide presentation is available from the Department of Public Works). He said a study done in 2007 had determined that the plant currently had the capacity to accommodate proposed new development under its current NPDES discharge permit. He said the Town planned to maintain its 2.5 million gallons per day rated capacity moving forward.

He spoke in detail about the planning process the Town had begun regarding the wastewater treatment plant, explaining that there were technical, regulatory and financial aspects involved. He said the Town had had the foresight not to move forward with improvements to the plants in a vacuum, noting that the regulatory picture had been evolving, with continuing questions as to whether the key problems were nitrogen, or turbidity, and point or nonpoint sources.

Mr. Atherton said there were a number of financial issues to consider, in terms of how future capital improvements concerning wastewater treatment would be paid for. He spoke briefly about the system development charge concept, and the idea of a stormwater fee. He noted that there were currently no funds available through the State Aid grant program because the program was put on hold with the last Legislative session, and said he wasn't sure when that funding would be coming back.

He said there was a State Senate commission looking at wastewater system sustainability. He also noted that Great Bay was a state and regional resource, and said some regional funding vehicles including watershed funding of some kind were being considered.

He spoke about the 2010 Wastewater Facilities Planning Update that had recently been developed, and reviewed the services his firm would be providing to the Town, as outlined in that plan. He said phasing the improvements to the wastewater treatment plant had worked so far, but spoke in some detail about the fact that the regulatory picture going forward was unclear.

Councilor Clark said although Durham had the best wastewater treatment plant in the area, this didn't matter because 70% of the nitrogen came from stormwater. He noted the \$16 million in capital improvements that was proposed to make the wastewater treatment better, and said he didn't understand why the Town wouldn't redirect these funds to something that would have more of an impact.

Councilor Mower said this was a reason they needed to work on more of a watershed basis with other towns, and to develop alternative treatment approaches that would persuade EPA that these other solutions might be better for the Town and the environment.

Mr. Cedarholm said what the Town anticipated might end up being quite different than what they ended up with. He said the NHDES and the EPA had indicated that nutrients limits for nitrogen would have to be down to 3-5 milligrams per liter. He said the plant currently discharged about 8 milligrams per liter.

He said in anticipation of the new limits, the plant had been proactive over the last 10 years in tweaking the plant so it could do the best it could. He said the results had been very low discharge, and said this had turned the sights of DES and EPA to other plants in the area that hadn't been so proactive.

Mr. Cedarholm said the CIP included money for upgrades they might or might not have to do, but said they had to anticipate that in the next 5-10 years the Town would have to do something. He spoke in detail on the factors involved, including the new limits being set and the plant's existing capacity.

Administrator Selig noted that city and town managers and engineers around the region had been collaborating with each other on this issue and engaging with DES, and had taken the agency to task on some of the assumptions it had been making on the causation of the impairment of Great Bay.

Councilor Stanhope asked if stormwater was run through the wastewater treatment plant, and Mr. Cedarholm said not intentionally. He said the wastewater collection system was pretty tight, but said there were some older parts of the system where the joints of the sewer pipes were eroding, and were therefore drawing freshwater into the system.

Mr. Cedarholm said the majority of stormwater ended up in storm drains. But he said what residents didn't realize was that there were roof drains and also sump pumps that were attached to the sewer system. He said a survey of homes should be done to find out where this was going on. He said stormwater discharges throughout the watershed were a big problem, and said they were trying to figure out what to do about it.

He noted that the updated stormwater regulations were a positive step, but said they only addressed new development and redevelopment, and didn't address stormwater issues of existing development.

Mr. Atherton said about 80% of the 70-80% of nitrogen coming from nonpoint sources came from septic tanks. He said the global solution was to do more sewers in order to capture more nitrogen and reduce the burden on Great Bay. He noted that Cape Cod was dealing with this issue.

Councilor Sievert said an observation he had heard was that the bigger towns in the region would hire high priced lawyers and blame the smaller towns. He said hopefully everyone would work together.

Mr. Cedarholm said that was the hope with the Southeast Watershed Alliance, but he said one of the biggest challenges was educating representatives from the towns that were further upstream.

Councilor Sievert agreed that these upstream Towns needed to be educated.

Councilor Gooze noted that there were a number of approaches, such as pervious pavement that addressed stormwater runoff through infiltration, and therefore assisted the functioning of natural systems.

Mr. Cedarholm agreed, and said a lot of the solutions such as vegetated swales and rain gardens were straightforward and were not expensive.

Councilor Mower said the idea of septic tank maintenance should be looked at, especially for those systems located in sensitive areas. She also noted that NHDES was interested in the idea of community septic systems.

Mr. Cedarholm explained that septic systems were great at treating bacteria, but didn't do much in terms of treating nitrates. He noted that a specific component could be installed on a septic system that could remove nitrogen.

Councilor Cote asked if there were perhaps some creative ways to upgrade septic systems to address nitrogen.

Mr. Cedarholm said yes, and Councilor Cote said the Town should therefore focus on this, which would address 80% of the nitrogen problem.

Administrator Selig said this approach wasn't politically feasible for NHDES to push right now, and provided details on this.

Mr. Cedarholm explained that EPA regulated NPDES permits, and DES regulated septic systems, so this created some difficulty.

He noted that DPW cleaned the streets frequently, and maintained catch basins on a much more frequent basis than most other communities. He said there were big payoffs from doing this.

He said he would provide a presentation to the Council on the idea of system development charges in month, and spoke briefly on this approach. He said Durham residents were presently getting a super deal with the relatively low fees they paid for water and wastewater.

It was noted that three years ago, the Town had engaged Wright Pierce to work with the Town on a weekly basis concerning the running of the wastewater treatment plant. Mr. Cedarholm said in this way, the company could anticipate problems, and said this had had a huge effect on how the plant had consistently been able to maintain the nutrient output it had.

He said in the summers, when the plant had to scale down its operations, were always a challenge in terms of maintaining the existing permit because the plant was designed to handle big flows. But he said a treatment approach used this past summer had allowed the permit to be maintained all summer.

He said Wright Pierce had helped the DPW develop an estimate of the present worth of the Town's water wastewater asset infrastructure, which related to the idea of developing a system development charge. He spoke in some detail on this concept.

Councilor Mower noted that any costs for the system that were not covered by the actual hookup fee were borne by the users.

Mr. Cedarholm said that was correct. He said right now for a single-family home, there was a \$400 connection fee for water hookup and the same amount for sewer hookup. He said apartment building connection fees were typically \$10,000-20,000.

Councilor Mower asked whether, to the extent that the cost was not fully captured by a new development, an argument could be made that the water or sewer users were subsidizing it.

Administrator Selig said the existing users had paid into the system and carried it for years, and said they were trying to come up with an equitable fee to charge new users. He noted that there was a benefit to bringing new users on because this would help pay for future upgrades. He said there should be some type of buy-in fee, which could be used to make future improvements.

Councilor Mower said it would be interesting to know how other towns handled this.

Councilor Stanhope noted that the connection fee didn't include the construction costs involved in actually tying in to the Town's water and sewer lines. He spoke about the considerable construction cost that could be involved for a particular property. He said the Town wanted to encourage people to connect to the sewer, and said the hook up fee could discourage them rather than encouraging them.

Mr. Cedarholm agreed that this was exactly what the Town didn't want to do.

Administrator Selig said the main theme was that the existing hookup charges were antiquated and needed to be upgraded. He said the Town was looking to develop a rational, objective way to determine how to proceed, and said this was essentially the exercise they would engage in over the next month or so.

Chair Carroll thanked DPW staff and Mr. Atherton for the significant amount of information they had presented on the Town's wastewater treatment system, and said it was a system to be proud of.

Councilor Gooze asked that information on sewer system hookup charges from other towns be provided to the Council, and it was agreed that this information would be provided for the upcoming presentation.

The Council stood in recess from 10:00 to 10:05 pm.

C. Quarterly Financial Report through 09/30/10 – Gail Jablonski, Business Manager

Ms. Jablonski reviewed the revenue and expenses situation as of September 30th. She noted that revenues from motor vehicle permit fees as well as interest on investments were below estimates, and also said the semi-annual payment from UNH for children residing in UNH Housing and attending Oyster River schools was much lower than had been estimated because of the drop in the number of students.

She said expenditures were generally doing very well, and then reviewed some of the unanticipated expenses, which included bringing on two part time employees for the Code Enforcement Office, hiring a part time employee to help the MIS Department with upgrading the Town web site, funds for DPW for the extensive vegetation cleanup and removal required after the storm in February, and full expenditure of the legal services line. She said Town departments were running well, and also said all of the Town's funds were performing as expected.

Councilor Gooze noted that there had been numerous ZBA cases that had gone to Superior Court, which resulted in some legal expenses. But he said the Town had prevailed in every instance at that level and none had gone on to the Supreme Court.

X. Unfinished Business
None

XI. New Business

A. Overview and initial discussion on the Administrator's proposed FY 2011 Operating Budgets, Capital Budget, and 2011-2020 Capital Improvement Plan

Administrator Selig said The Town had received confirmation from the Department of Revenue that the 2010 tax rate was \$27.28 per \$1,000 of assessed property value, which was up 28 cents, or one percent, from last year's amount of \$27 per \$1,000 of assessed property value. He said the breakdown of the tax rate was \$7.12 for the Town portion; \$17.62 for the School portion (local and State); and \$2.54 for the County's portion. He said the tax bills would show that break out.

He noted that the tax rate information wasn't available when the Budget went to press, and also said there was no warrant for the Council to act on right now because this information wasn't available until this morning. He said he would try to get it to the Council for the next meeting.

Administrator Selig provided an overview of the Budget document, explaining that he had sifted through the various proposals from Department heads, and ended up with a lean, mean budget. He said hopefully the Council wouldn't spend a lot of time on the details, and would instead focus limited time on the big picture items facing the community.

Councilor Stanhope left the meeting at 10:17 pm.

Administrator Selig said the proposed 2011 General Fund Budget totaled \$10,998,772.00, representing an increase in spending of \$573,987 (5.51%) compared to fiscal year 2010. He said that based on the actual tax rate that had just been received for 2010, this represented an increase in the 2011 local municipal tax rate of 1.62%.

Administrator Selig said the proposed Sewer Fund budget reflected a 6.35% increase in user fees in 2011, which was driven primarily by the need to correct a \$64,341 fund deficit due to a decrease in water usage by residents. He said the Town was trying to remedy that shortfall.

He said the proposed Water Fund budget carried an anticipated 6% increase in user fees, although spending had actually been reduced by 3.4%. He said that increase was due primarily to less reliance on undesignated fund balance to even out the impact on water users.

Administrator Selig next noted the highlights of the proposed 2011 Budget, and said the biggest item there was the recommendation to bond the road program for the next three years. He said over the last several years, he had outlined that given historical expenditure and revenue trends, an annual municipal tax rate increase of 3-5% was projected unless major changes were made in terms of increasing revenue, decreasing spending, or broadening the tax base.

He said because of the recessionary environment they had experienced in 2009 and 2010, they had held the line on spending and actually reduced it over that time. But he said that had compounded the future increases expected in the local tax rate, and he noted that unless there was a structural change moving forward, projections over the next 5 years of 6% or more per year were anticipated. He said a reason for this was that they were not going to use fund balance to smooth the tax rate, as part of good fiscal practice.

Councilor Mower said it was fair to say that in previous years, the Town had seen such low increases in part because it did use the fund balance.

Administrator Selig next reviewed in some detail the various sections of the Budget document, and included in this was his discussion on employees of the various Town departments. He noted that the number of Town employees had been reduced overall over the past several years, even though employees had been added and subtracted over time in adapting to the changing needs of the Town.

He noted that one personnel change he recommended for 2011 was a part time economic development person. He said this person might be a Town employee and might be a contractor, and said the Council would need to talk about this.

Administrator Selig next spoke in detail about the Fiscal Forecast. He noted that the spreadsheet on page 23 of the Budget document showed a projected 2.73% tax rate increase for 2011. He said this did not touch the unreserved fund balance number of \$992,486, and explained that the target was to get the fund balance up to \$1.2-1.5 million.

He also said that based on department proposals, the Fiscal Forecast showed that an increase in the tax rate had been projected to be 23.73%. He said he was pleased to have been able to cut that down to 2.73%. He noted that moving forward, the tax rate numbers got higher before dropping back down again.

Administrator Selig spoke further about projected expenditures in the Budget, and used the Police Department portion of the Budget as an example of what was funded and what was not for 2011.

He spoke briefly about the proposed Library budget as well as the Library's organizational chart, noting that it was an autonomous entity although its budget was funded by the Town, and they worked collaboratively together.

Administrator Selig next spoke briefly on the CIP document., and stressed that it included the prioritized projects that each Town department had. He said these priorities might not represent his own, but said what was in the Budget for 2011 did represent his priorities.

Councilor Mower MOVED to extend the meeting beyond the 10:30 pm adjournment time. Councilor Smith SECONDED the motion, and it PASSED unanimously 8-0.

Administrator Selig spoke about the bond schedule that was provided on page 16 of the CIP, and also spoke in some detail about the fact that he proposed that the DPW Roads program should be bonded over the next few years.

Councilor Gooze asked what would happen with the Roads Program in 2014, and Administrator Selig said bonding that program now allowed the Town to not have to put money from the Budget into it, and instead to work on broadening the tax base and waiting out the recession. He also noted that fewer road projects would have to be done in 2014.

Chair Carroll said there was a Budget work session the following Monday, and said Budget items the Council wanted to bring up could be discussed in depth at that time.

Councilors agreed to address the Tabled item.

Councilor Mower MOVED to remove the item from the Table regarding the appointment to the DCAT committee. Councilor Smith SECONDED the motion, and it PASSED unanimously 8-0.

Councilor Clark MOVED to go into Nonpublic session according to RSA 91-A:3 II c. Councilor Mower SECONDED the motion, and it PASSED unanimously 8-0.

The Council went into nonpublic session at 10:35 PM.

The Council returned to public session at 10:53 PM.

Councilor Niman MOVED to seal the Nonpublic minutes indefinitely. Councilor Gooze SECONDED the motion, and it PASSED unanimously 8-0

Councilor Mower MOVED to Table Item VIII A indefinitely. Councilor Niman SECONDED the motion, and it PASSED unanimously 8-0.

B. Other business

None

XII. Nonpublic Session (if required)

XIII. Extended Councilor and Town Administrator Roundtable (if required)

XIV. Adjourn (*NLT 10:30 PM*)

Councilor Gooze MOVED to adjourn the meeting. Councilor Niman SECONDED the motion, and it PASSED unanimously 8-0.

Adjournment at 10:55 pm

Victoria Parmele, Minutes taker