

Town of Durham
Year End Wrap Up for 2020

Todd Selig, Administrator

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Town staff, elected, and appointed officials continue to work diligently to address community needs, control costs, and maintain the municipality's fiscal position despite many competing pressures. From preserving the quality of life within our traditional residential neighborhoods, to actively monitoring the Eversource Seacoast Reliability Project construction process, to grappling with human rights and societal issues such as the tragic death of George Floyd, to successfully coordinating four elections (during a pandemic!), to completely revamping the very method of public meeting access via socially distant Zoom technology, to managing development pressures, to exploring new ways to address solid waste and recycling amidst market headwinds, to striving to be sustainable on numerous fronts, many individuals have collectively worked hard on behalf of the community in 2020. Yet, the reality is that the elephant in the room for 2020 was the Covid-19 pandemic. It had the effect of sidelining many less pressing matters in an effort to ensure continuity of operations for municipal departments, informing and protecting public and staff members alike in accordance with the latest public health information, jointly working with UNH to address complex and multifaceted issues surrounding the University's fall 2020 reopening and organizing a pandemic mobile field unit at the Hamel Recreation Center, the implementation of an emergency facial coverings ordinance for the Durham community, assisting UNH with hosting the Covid-19 displaced state legislature on multiple occasions on campus, and much, much more.

2020 saw the retirement of two dedicated long-time Durham public servants: Public Works Director Michael Lynch and Police Chief David Kurz. Mr. Richard Reine was selected as the Town's next DPW Director. Long-time Deputy Police Chief Rene Kelley was promoted to Chief at the police department.

Our weekly "Friday Updates" continue to keep the Town Council and members of the community informed of news and happenings in Durham. Nearly 3,500 individuals subscribe to this weekly broadcast. Durham also continues to bolster its Twitter and Facebook presence in order to meet the demands of residents' changing preferences for information distribution. Our goal is to keep residents informed of local affairs so they may become engaged when issues are of interest/importance to them. It's not a professional publication however, so subscribers are asked to keep their expectations for coverage reasonable as we work to provide updates as time allows amidst many other competing responsibilities!

Many months of budget planning looking ahead to FY 2021 led to the projection of \$13 million in new value; an increase of only 1%. To offset the typical growth in municipal expenditures, we would ideally bring on an additional \$20 – \$30 million annually. For comparative purposes, between 2008-2012, Durham saw average annual valuation increases around \$6 million. During the recent development experienced in Durham between 2014-2017, the community saw average annual increases of \$28 million. It was this new development,

combined with ongoing careful budgetary management, that allowed Durham to keep the local/municipal portion of the tax rate flat for four years in a row in 2015, 2016, 2017, and 2018.

Unfortunately, General Fund revenues, driven by widespread impacts from the pandemic, were down by about \$150,000 from what was projected for 2020, representing a significant negative impact to the Town's bottom line. Costs for managing our parking program and credit card fee processing for the downtown parking kiosks were up and although we have increased some parking fees in an attempt to offset this trend – the pandemic has stripped downtown Durham of demand for spaces resulting in a dramatic shortfall in revenue for 2020 and projected into 2021. Revenue projections continue to include an annual \$145,000 payment from UNH to compensate the community for the University's financial impact upon the Town in the area of policing services, plus certain actual roadway costs associated with the upkeep and maintenance/resurfacing of Main Street running through the UNH campus between Pettee Brook Lane and the Rt. 155A intersection. UNH also supports 50% of the Fire Department operational and capital budgets, 2/3 of the cost of joint water and wastewater capital projects, and a pro rata (rolling 36 mo. average) share of the shared water and wastewater operating budgets for Durham and UNH (currently at 59% UNH and 41% Durham for Water; and 57.7% UNH and 42.3% Durham for Wastewater). These and other revenue numbers were helped by a projected \$676,700 per year in revenue (an increase of \$302,700 over 2020) from our PILOT with Riverwoods Durham (\$850,000 payment minus Riverwoods bond payment for water/wastewater utility extensions totaling \$173,300), which began in 2019. The Riverwoods PILOT payments to Durham will incrementally increase over the next few years.

Moody's Investors Services reported on Nov. 5, 2019 that the credit position for Durham was very good. Its Aa2 rating is slightly higher than the median rating of Aa3 for cities nationwide. The notable credit factors include a strong financial position, a very strong wealth and income profile, and a modestly sized tax base. The Town has a strong financial position, which is relatively favorable in comparison to Durham's assigned rating of Aa2. These indices are all indicative of measured success in realizing the Town's fiscal goals.

Due in large part to the efforts of long-time Durham resident (and retired UNH Professor) Dennis Meadows and a number of other dedicated volunteers, as well as closely coordinated efforts between the Town and the ORCSD, we closed in late-2019 on a 40-acre parcel along the Oyster River (utilizing private donations) between Thompson Lane and Orchard Drive. Funds were then raised through grants and private donations which allowed us to move forward with building a small pedestrian bridge spanning the river, directly linking downtown Durham, our Faculty Neighborhood, and the UNH core campus to 2,000 acres of conservation land – creating an easily accessible future natural oasis for residents on future hot 100 + degree days resulting from the anticipated impacts of climate change.

Oyster River School District Superintendent of Schools James Morse and I continue to work to remain in regular communication with one another regarding issues of mutual interest/concern. Construction of the new Middle School has been a top priority and area of focus for 2020, a project that will likely result in some modified traffic patterns around the facility along Dennison Avenue, Coe Drive, and Strafford Avenue. It is important to note as well that Town Councilors Kenny Rotner and Allan Howland also served as members of the ORCSD

School Board, and in this way strived to ensure there was is good communication between Durham and the ORCSD School Board relative to issues of mutual interest.

The death of Dr. Kenneth Rotner occurred in 2020, around which a wonderful celebration of life was organized by the community at Wagon Hill Farm on Sunday, September 13, 2020. Dr. Rotner's immeasurable contributions to the Durham and Oyster River Communities over many years will have positive lasting impacts for all of the lives he touched in positive ways. The new pedestrian bridge (currently in construction as of the writing of this report) over the Oyster River at Thompson Lane/Orchard Drive was named after Dr. Rotner by official resolution of the Town Council.

Under the leadership of Director Rachel Gasowski and the Parks & Recreation Committee, we've seen interest and participation in Parks & Recreation programming flourish in Durham. Durham's vision for its Parks & Recreation Department is that it will offer a wide variety of opportunities and concentrations for all residents of any age wishing to participate in accessible, affordable activities. The department also plans/ coordinates community-wide events such as Durham Day, summer children's programming in conjunction with the school district, the summer concert series, as well as managing the Churchill Rink. The new recreation van has also opened up new possibilities such as senior trips to regional museums, etc. While the pandemic put a crimp in many of our typical programming, P&R is hopeful we can resume a more normal schedule by summer 2021.

Durham again received the top-ranking score in NH by the Human Rights Campaign's Municipal Equity Index relative to addressing LGBTQ concerns. We sponsored programming celebrating Indigenous Peoples' Day both in 2019 and 2020.

We are a community that truly welcomes and encourages citizen involvement/ engagement, and visitors from the around the world continue to visit Durham (virtually at present via Zoom) to learn from our efforts as part of the World Affairs Council of N.H. programming in conjunction with the U.S. State Department Bureau of Visitor Affairs. We have the privilege of discussing challenging topics in Durham, in part due to the openness of our local government and in part due to the talented staff and Town Councilors, who work tirelessly to keep the municipality prudently managed and on an even keel, allowing citizens to focus their efforts on deeper social, quality of life, and aspirational issues.

Over the last year, Durham has continued to pursue Long-Term Economic as well as Environmental Sustainability, which are inextricably linked. Without economic sustainability, the Town will not have the financial resources available over the long-term to stabilize the tax rate, pursue desired projects or necessary municipal infrastructure enhancements, preserve open space, etc. Without a healthy natural environment, we will not sustain the Durham in which residents hope and desire to live, work, and play. Both the 2011 and 2017 Master Plan processes indicate residents of the community seek balance.

Projected sea level rise will contribute in the years ahead to the gradual inundation of coastal areas. We're already seeing it -- and are responding locally. A brand new living shoreline at the Town's Wagon Hill Farm was completed in late 2019, so we now have 350 feet

of shoreline restored, re-graded, armored with natural hard and soft-scape materials, and planted to restore the salt marsh and tidal buffer that has eroded over time. It's a project that has taken 4+ years of design and close collaboration between the Town, state/Federal regulators, the NHDES Coastal Program, the Harbor Master, the Strafford Regional Planning Commission, and UNH environmental researchers utilizing around \$500,000 in local and state grant funds. It has become a regional demonstration project for living shorelines, and an additional \$213,765 is now targeted for 2021 utilizing monies negotiated with Eversource, along with matching funds from a highly competitive National Fish & Wildlife Foundation matching grant the Town received in 2020, to continue to make shoreline stabilization enhancements at the property and beyond.

Durham continued working with the Strafford Regional Planning Commission in 2020 utilizing NHDES funding to study the potential impact of sea level rise on fresh water private wells within the community. It's an interesting initiative focusing on an issue that, until now, has literally been out of site and out of mind.

Over the years, Durham has replaced all of its roadside and decorative street lighting with energy efficient LED fixtures. We've installed, under an umbrella power purchase agreement (or PPA), 120 kW of solar capacity at our police station, the public library, and Churchill Rink. This was followed up with a 640 kW solar array at our gravel pit in Lee, NH. Together, these efforts have allowed Durham to offset 100% of the electric demand of all municipal infrastructure with renewable power with the exception of our wastewater treatment plant. As part of the FY 2021 budget development process, the Town Council approved a recommendation of the Energy Committee to move forward in 2021 with the purchase of the solar arrays at the rink, police station, and library.

We have painstakingly worked over many years to create a municipal water system that is inherently resilient in order to reliably provide approximately 1.2 million gals/day of water to both town and campus. Together, Durham/UNH operate four water sources, one of which utilizes an artificial recharge system pumping raw water from the Lamprey River to our Spruce Hole Aquifer in Lee during times of plentiful flow, increasing our reserves for drought conditions. A new \$20 million Water Treatment Plant on the UNH campus was also completed in 2020, deploying state of the art technology – replacing an aged/outdated facility, for the benefit of UNH and Durham water users alike. While the entire region struggled with drought conditions this past summer/fall, the Durham water supply remained sustainably secure for our water users. This is the result of good planning and active collaboration between Durham and UNH.

The Town and UNH, through the joint administrative Water, Wastewater, Stormwater, and Roads Committee, continue to address a multitude of Town/Gown items to include efficient operation of our water combined system as described above, focusing attention on water quality deficiencies within the Great Bay Estuary (nitrogen) as identified by the NHDES and the EPA, meeting EPA wastewater and stormwater MS-4 mandates (the Total Nitrogen General Permit was ultimate issued by EPA in December 2020), maintaining a required NHDES backflow prevention program, general water/sewer infrastructure, the Lee water line extension in coordination with the NHDES and the Town of Lee to address MBTE contamination at the Lee

Traffic Circle, and more. On the front lines of our utility infrastructure both on and off campus, the Town and the University are joined at the hip and work seamlessly together.

On this note, we have developed cooperative and collaborative efforts with UNH to enhance the mutual intellectual, cultural, environmental, social, and economic benefits associated with hosting New Hampshire's flagship state university, including redevelopment of 66 Main Street, the creation of a West Edge Innovation District, and more. Unfortunately, both aforementioned projects were put on the back burner in 2020 due to the pandemic. Town and gown continue to communicate and work toward the redevelopment of 66 Main Street. Following many months of review by USNH Board of Trustees/UNH/developer, a delegation from UNH/Town traveled to meet with Elliott Sidewalk Communities in late-January 2020. Durham and UNH are currently exploring the potential sale of 66 Main Street from the University to the Town based on appraised valuations of the parcel.

Through the efforts of Ellen Snyder, our part-time contract Land Stewardship Coordinator, and the Land Stewardship Subcommittee of the Conservation Commission, we continue to make significant inroads in properly managing the numerous lands and easements under the Town's stewardship. The Council also established the Durham Town Land Stewardship Patron's Trust back in 2018 to enable citizens or organizations to donate money to support our local conservation land management efforts, rather than relying solely on tax dollars for this purpose. These monies, as well as the Conservation Fund under the oversight of the Conservation Commission, have provided an ongoing source of modest funding to move targeted stewardship initiatives forward.

In closing, I would like to note that our Town employees within public works, police, fire, planning, zoning, town clerk/tax collector's Office, IT, DCAT, and more — are terrific people, working hard with finite resources to meet the needs of a demanding citizenry with high expectations for exceptional service delivery at the local level. Our Town Council is comprised of thoughtful, hard-working, and dedicated individuals with varied backgrounds and perspectives. The Council, along with the benefit of ongoing public feedback and active involvement by dedicated citizens on local boards, committees, and commissions, all contribute to ensuring Durham remains a strong, vibrant, and welcoming community. While this has been a challenging year in Durham as a result of the pandemic, our town has accomplished an awful lot very well under extraordinarily difficult circumstances.