

D-R-A-F-T

**DURHAM TOWN COUNCIL
MONDAY, NOVEMBER 14th, 2022
DURHAM TOWN HALL - COUNCIL CHAMBERS
7:00 pm**

MEMBERS PRESENT: Council Chair Kitty Marple; Councilor Joe Friedman; Councilor Chuck Hotchkiss; Councilor Sally Tobias; Councilor Eleanor Lonske; Councilor Eric Lund; Councilor Sally Needell; Councilor Carden Welsh (Arrived at 7:02 p.m.)

MEMBERS ABSENT: Councilor James Lawson

OTHERS PRESENT: Administrator Todd Selig

I. Call to Order

Chair Marple called the meeting to order at 7:00 p.m.

II. Public Hearing on the Administrator's proposed FY 2023 Operating, Capital, and Special Fund Budgets

Chair Marple asked the public to keep comments made related to the budget, and to hold other comments for the Council's next meeting on November 21st, 2022.

Councilor Marple MOVED to OPEN the Public Hearing, which was SECONDED by Councilor Tobias and PASSED 7-0.

Administrator Selig also noted that copies of the budget Book, CIP, and Informational Booklet were all available for members of the public to read.

Jeff Berlin, 3 Cowell Drive, repeated previous comments voicing concern about written comments by a Town employee, asking for an inclusion in the budget to hire a replacement.

Chair Marple noted that these concerns have a flimsy attachment to the budget and have previously been addressed. Councilor Hotchkiss also noted that the DEIJ position at the ORCSD is not within the Council's jurisdiction.

Larry Brickner-Wood, 1 Colony Cove Road, thanked the Council for their diligent work, and noted his position as the Chair of the Historic District/Heritage Committee, and that his comments would center around that Committee's requests. The Committee's request is relevant to the Wagon Hill Farm Bickford-Chesley House, a project the HDC has worked with previous Councils to bring more awareness to in order to dedicate more resources to its repair and restoration. A report on the building, funded by an LCHIP grant, has outlined a wonderful long-term plan for the building. The HDC had hoped to receive another grant for roof repair, which they did not receive, meaning the Committee requested the \$40,000 in next year's budget.

Using Durham's CIP, the HDC plans to apply for another LCHIP grant in June of 2023. Also, the committee has spent time discussing how the Town can best utilize the building. Recurring ideas in the discussion include educational space, exhibition space, meeting space, and other community uses.

Councilor Lonske spoke on her previous Council-like experience applying for grants for other Towns, noting that she often found adding a statement that the grant would be matched by Town or private funds worked as an advantage in the application's favor. She asked if this tactic is also being used in these applications, which Mr. Brickner-Wood confirmed.

Councilor Needell asked if the roof repair would be a slate roof. Mr. Brickner-Wood answered that the plan is currently for an asphalt roof.

Michael Hoffman, 300 Durham Point Road, echoed Mr. Brickner-Wood's gratitude for the Council's hard work. He spoke on his letter requesting the removal of Dame Road from the Town's CIP, as many residents prefer the current dirt road.

Chair Marple asked for those in the audience to raise their hand if they were also there to support that statement.

Alan Bennett, 575 Bay Road seconded Mr. Hoffman's position, noting that Dame Road is a right semi-obscured angle into Bay Road, and paving Dame Road would increase risk of serious accidents.

Walter Rous, Adams Point Road, spoke on his wife's letter, which he gave to the Council, echoing the request to leave Dame Road as it is.

Councilor Lonske noted her observation from reading letters regarding Dame Road is the inclusion of it in the CIP was causing anxiety, even if it wasn't definite. Given this, she suggested that the Council comply with the request to remove it.

Councilor Lund noted that he took the time this weekend to drive down Dame Road for himself. He found the conditions of the road were not conducive for speeding. He also took some time to review the monetary aspect of the project and felt that the current budget of \$700,000 would not be enough to cover all the expenses of the project. Given these factors, he also supported the idea of removing it from the CIP.

Councilor Tobias noted that this issue often crops up year-to-year, and asked Administrator Selig what the original intentions were in its inclusion in the CIP. Administrator Selig answered that a few factors had caused nearby residents to raise concerns about the road. During the NHDOT Newmarket Road construction, some traffic diverted through that road causing an increase in traffic along with the establishment of nature trails in the nearby area. Additionally, those few years were a particularly wet season, causing further damage to the road. In order to address those issues, administration added a sketch of the Dame Road project to the CIP.

Administrator Selig noted that concerns voiced at today's meeting by residents were also valid. Dame Road's age and structure provides unique challenges, like the need to add drainage ditches to minimize runoff, and blasting needs to solidify the base of the road before paving. Administrator Selig noted that he was happy residents were reading the CIP and voicing concerns and given that it was not a project that was being strongly advocated for, he was happy for the Council to remove it if they deemed it necessary.

Councilor Tobias MOVED for the Council to REMOVE the Dame Road project from Durham's Capital Improvement Plan, which was SECONDED by Councilor Lund and PASSED 8-0.

Chair Marple noted to the Public that they were more than welcome to speak on budget matters in future Public Comments of regular Town meetings, in case they were unable to attend that night.

Councilor Lund MOVED to CLOSE the Public Hearing, which was SECONDED by Councilor Hotchkiss and PASSED 8-0.

- III. Shall the Durham Town Council** authorize the Administrator to sign the Town of Durham's second half 2022 Property Tax Warrant and direct the Tax Collector to collect payment of property taxes assessed on April 1, 2022?

Administrator Selig noted that the holdup on this item was due to the NH Department of Revenue, and not the Town.

Councilor Welsh asked what the amount on the warrant was. Chair Marple answered that it was \$18,600,920. Councilor Welsh comments that that amount seemed high, and Administrator Selig noted that the bills include school as well as Town taxes.

Councilor Marple MOVED to AUTHORIZE the Administrator to sign the Town of Durham's second half 2022 Property Tax Warrant, which was SECONDED by Councilor Tobias and PASSED 8-0.

IV. Continued deliberation of the Administrator's proposed FY 2023 Operating, Capital, and Special Fund Budgets and the 2023-2032 Capital Improvement

Michael Behrendt, Town Planner, greeted the Council. Councilor Welsh noted that there wasn't much included in the budget for new development in the next year, asking how much new development has come to his desk. Mr. Behrendt answered that there are several approved projects in the works, but there is a relatively low rate of new applications. The only Town applications to the Planning Board are for a subdivision on Adam's Point Road.

Councilor Welsh also asked how long Mill Plaza would have to wait to submit again, if they decided to do so. Mr. Behrendt answered that he wasn't sure about that and would look into it.

Councilor Lonske noted her concern of Town legal bills. She also reviewed the State RSA on conditional use, which centers around the concept of innovation. She asked if that concept was ever incorporated in Durham's definition of Conditional Use, and if it should be in the future. Mr. Behrendt answered that Conditional Use is a municipality tool, and that the use of the word innovative refers to those tools. Councilor Lonske commented that that wasn't her reading of the law at all and asked if Mr. Behrendt would look into the concept further, in order to ease the burden on the Planning Board.

Councilor Needell asked why the budget for the Planning Board went down for this year, and if that was connected to no longer retaining legal services. Administrator Selig noted that legal expenses were kept under a separate line, with the exception of the Fire Department.

Jim Rice, Assessor, greeted Chair Marple and the Council. Councilor Lund noted his observation that the evaluation is being bonded, and asked if this was because it is only

an expense every five years. Mr. Rice answered that a big budget requires bonding to guarantee they are able to receive the needed money.

Councilor Welsh asked when a reevaluation hits tax requests from citizens. Mr. Rice answered that the project will be completed April 1st, 2023, meaning the first bill will be based on previous assessment, while the second bill of the year will be based on the new assessment.

Administrator Selig also noted that the Council previously discussed splitting the revaluation over five years or completing it all in one year. The Council opted for the one-year model in order to keep the process as fair as possible.

Lorrie Pitt, Town Clerk/Tax Collector, and Rachel Deane, Deputy Tax Collector, greeted the Council. Councilor Welsh noted that both do their job wonderfully. Administrator Selig also noted a coming change in the next year, as Ms. Pitt plans to retire and Ms. Deane plans to run for the position. Administrator Selig noted that Ms. Deane's position as Deputy Tax Collector gives her plenty of time to train and be ready for the position, and Administrator Selig expects a seamless transition.

Ms. Pitt expanded about these plans, noting that the new Tax Collector would not be sworn in until the Friday after the election, and that she planned to stay on for another month to ensure a smooth transition before officially retiring.

Ms. Deane also noted that she was very fortunate to work under Ms. Pitt for the last three years, and that she also expects smooth transitions. Councilor Needell also thanked the two for their work, noting that they often act as the faces of the Town.

Rachel Gasowski, Parks & Rec Director, and Bill Page, Churchill Rink Manager, greeted the Council. Chair Marple noted that she was happy to hear that the Rink was back in operation.

Councilor Welsh asked what the Recreation Department expected from the strategic plan for the playground and the park. Ms. Gasowski answered that they were hoping to hire a consulting group that was recreation focused, with the overall goal to make sure that the areas are safe, functional, and inclusive. Councilor Welsh asked if the areas were already safe, functional, and inclusive. Ms. Gasowski answered that they were definitely showing some signs of wear, and they were not as inclusive as they could be. One specific example she cited was the awkward hoop placement of the Woodridge Park basketball court, which is located right next to a skating rink.

Councilor Welsh asked if the consulting group would provide a plan for new development. Ms. Gasowski answered that the group would look at recreational infrastructure in similar areas, as well as gathering community feedback to inform their recommendations.

Councilor Welsh then asked, noting that this might be a question better asked to the Council, why this was being capitalized, and whether it should instead be expensed instead. Administrator Selig noted that that was a fair question that the Council could discuss if they chose but noting that this would be paid for with cash and not bonds.

Councilor Freidman asked if there were any project amount that the Council typically would not bond for. Administrator Selig answered that that was not the case, and instead the projects are considered on a case-by-case basis.

Councilor Welsh asked where this project was located in the budget. Administer Selig answered that it was on the list of CIP to Budget transfers. Councilor Welsh asked why it was not included in the Parks and Rec section of the budget. Administer Selig answered that it was being attributed to the capital fund, which is why it is located with the other projects attributed to the fund. Town Business Manager Gail Jablonski noted that they could move the line to the Parks and Rec section if that was what the Council wanted to do.

Councilor Needell noted that she personally viewed the Parks and Rec section as an operating budget, meaning a one-time aside would be better housed in its current section. Councilors Tobias, Lund, and Lonske seconded this idea.

Councilor Friedman noted a few other lines in the capital section that might fit better under operating costs, like Stormwater Management Permit compliance.

Councilor Welsh asked why the projected revenue for Parks and Rec in the next year is so understated, given the data of the last few budget cycles and the expansion of the department. Ms. Gasowski noted that the department was very clear that the new requested position would not necessarily be for revenue generation, instead for the sustainability of the department. During the last budget cycle, the effect of the decline of COVID regulations was a factor the Department couldn't properly predict, so a modest approach was adopted. For this year's budget cycle, the Department decided to continue the modest approach for the same reason, unsure if last year's numbers could be attributed to less competition due to the pandemic. Councilor Welsh noted that regardless, under-projecting revenue causes a raise in the tax rate, cautioning the Department to not be too cautious.

Administrator Selig noted that a resident had previously come in, unsure why the Town charged for open skate, and asked Bill Page to outline the process behind those decisions. Mr. Page answered that he tried to rent rink time to teams and organizations during prime times, which he found were less attended for open skating. Mr. Page also noted that he tried to incorporate as much open skating as possible, and that the rink is open for public skating on many evenings and weekend times.

Councilor Lonske asked what the rink charges. Mr. Page answered that there was a variety of options, from Family and Season passes priced at \$115 and \$230 (for non-residents, residents receiving a 10 percent discount) to single entries priced at \$6 for children and \$8 for adults. Mr. Page also noted that these prices are very similar to other neighboring municipalities.

Councilor Lonske asked if fuel costs were a problem for the rink. Mr. Page answered that this was definitely an issue, the increased costs of which are factored into this year's operating budget. He also noted that the recent repairs significantly improved the cooling system, which hopefully will have a positive impact on fuel costs. Councilor Welsh asked if the increased fuel costs necessitated an increase in rates. Mr. Page answered that he would not do so before the next season, and in general was uneasy to raise rates again after a 15 percent increase two years prior.

Councilor Welsh asked if the Rink was set to make its projected \$325,000 in revenue. Mr. Page answered that it already had, and that the expense of \$30,000 to fix the refrigeration system was more likely to come from the operating fund than the Rink's savings. Councilor Welsh asked what the revenue target for next year would be, specifically if it should be higher than the current \$318,000 given this year's revenue.

Councilor Lund noted that a contributing factor to this year's numbers is a \$40,000 transfer from the fund balance. Mr. Page explained the amount was requested for the purchase of new Zamboni, but the rink instead chose to repair its current Zamboni and didn't use the full amount.

Sheryl Bass, Durham Public Library Director, greeted Chair Marple and the Council. Administrator Selig noted some of the highlights from this year's budget, a request for funding for increased hours for the Library's part-time technology position. Ms. Bass noted that the library gained 800 users this year. Councilor Lonske noted a large factor in that uptick was the Library's partnership with Riverwoods, which allows seniors to check out and borrow books from the Riverwoods facility, thanking Ms. Bass for the program.

Councilor Welsh asked what sources of funding the Library has other than the Town. Ms. Bass answered that Library trustees have committed \$25,750 in funds, and the fund group provides or fundraises money situationally.

Administrator Selig noted that himself, Chair Marple, Michael Behrendt, Rich Reine, David Holmstock, and Sheryl Bass spoke at the Oyster River Community Reads forum earlier in the fall, when the group read a book by Eric Chinburg that notes Libraries as a center for community in a democracy.

Craig Stevens, DCAT Director, and Luke Vincent, Manager of Information

Services, greeted the Council. Administrator Selig noted DCAT's proposal to move the TV monitors up, which did not make it to the final version of their proposed budget. Instead, the farthest monitor to the Council's right will be moved to the wall to replace the current one.

Councilor Tobias asked if it was possible for a monitor to be dedicated solely to the Zoom call, in order to make it easier to see those present at the meeting via Zoom. Mr. Stevens answered that the current setup dedicates a screen to the active zoom speaker, with some other members on the second screen. In order to see everyone, the setup would need to gain a monitor or do away with the participant view.

Administrator Selig noted that a Board member recently reached out inquiring about closed captions, and if that would be something that could be made available. Mr. Stevens answered that Zoom has a live transcription feature, and there had been previous discussion of adding similar live captioning to livestreams and broadcasts. However, the equipment needed to do live captioning is relatively expensive, with an additional \$8,000 per year.

Councilor Lonske noted as a newer Councilor member and resident, she appreciated the flexibility the DCAT system provided to remain engaged with the Town's Committees and Boards on her own schedule. Mr. Stevens thanked Councilor Lonske and noted it wouldn't be possible without his employees Rachel and Rich.

Luke Vincent, MIS, greeted Chair Marple and the Council. Administrator Selig noted the Council's interest in following up on the 2022 funding of a part-time IT assistant. Mr. Vincent answered that this process was delayed by health issues but was picked up again towards the end of the year. Position advertising garnered 70 applicants, which has since been narrowed down to two candidates for a second round of interviews, which are currently being scheduled. Councilor Welsh asked when this position was budgeted to take effect, to which Chair Marple answered January 1st, 2023 and was confirmed by Mr.

Vincent. Mr. Vincent highlighted a security item had been significantly reduced from \$10,000 to \$0, clarifying that this was a purposeful decision made in anticipation of the State's receipt of a cybersecurity grant.

Rich Reine, Director of Public Works, greeted the Council. Administrator Selig asked for Mr. Reine to overview some of the progress made over the last year, which Mr. Reine agreed to. The Town hired Steve Lutterman a year ago for the GIS program, who greatly advanced Mr. Reine's expected timeline. The Town adopted the GIS Online program, with a live mapping program residents can view. The next step for GIS is asset mapping for infrastructure like sewer and stormwater, which the Town has received a grant for. Luke Vincent also mentioned the story maps made for areas like the Transfer Station.

Rene Kelley, Police Chief, greeted the Council. Councilor Welsh thanked Chief Kelley for the solid Police budget and noted he had parking questions. He asked why the projected revenue from meters and permits was flat from the previous year, considering revenue this year was up. Gail Jablonski answered they could revisit the estimate with new data over the past few months.

Councilor Welsh also asked what the amount of the parking fund was. Gail Jablonski answered that they did not carry a balance in the Parking Fund. Councilor Welsh then asked where the lighting charge line used to be housed, before it was in Parking. Gail Jablonski answered that it was previously housed in the Public Works department and was moved to Parking to better reflect the cost to the Town.

Councilor Welsh asked for Chief Kelley to confirm that a work-study position was not filled this year. Chief Kelley confirmed that while there was some interest in the position, it was not filled. Councilor Welsh then asked why this position was renewed in the upcoming budget. Chief Kelley answered that Captain Dalton had a heavy workload that led to multiple projects unfinished at the end of year, and that the Department hoped that filling the work-study position would alleviate that load.

Councilor Lonske noted that she very much liked the pass program for the train station. Administrator Selig elaborated that citizens are able to call the Police Station and request a free day parking pass for the lot next to Durham's Amtrak station.

Dave Emanuel, Fire Department Chief, greeted the Council. Councilor Welsh asked for clarification on the Department's employee headcount, referencing a discussion earlier in the meeting on the addition of a new position and other positions that were intentionally unfilled. Emanuel answered that the Department had had trouble in the past

with filling various Fire Safety positions, and in the coming year hoped to consolidate those positions into a singular Chief of Training & Safety.

Councilor Lund asked Mr. Reine how long the gap between maintenance routes of the Town's roads would take under the current program. Mr. Reine answered that it is not uniform across all roads, instead depending on the type of the road, but regardless aims to be ahead of the deterioration curve. Chair Marple also noted that Mike Lynch received a road permit that required repavement every 14 years, to name an example.

Councilor Lund also asked how the financing for the Madbury Road project was being structured, noting a bond issues schedule over multiple years, with a few slightly below the threshold needed for a public vote. Concerned that inflation would tip those issues over the threshold, Councilor Lund asked why those issues were set there. Mr. Reine answered that each issue was considered a separate subproject, and that the department was confident that they will fall at or below the projected amounts.

Councilor Needell asked why the department's budget was \$20,000 less than proposed by the Town. Gail Jablonski noted that the hiring of the project engineer was delayed by two months, and a reduction in health care costs. Councilor Needell thanked Mr. Reine and the Public Works Department for their in-depth and thorough budget proposal every year.

Councilor Welsh noted that electricity costs played a significant role in every department's budget, and asked how the price of electricity from the Town's solar system has been affected. Administrator Selig answered that each line of electricity costs shows what the Town is charged, but the Town receives a reimbursement from Eversource for the price per kilowatt hour. Mr. Reine answered that the cost is split over distribution and supplement costs, and that the solar system saves the Town money on the supplement end.

Councilor Welsh then noted that electricity charges for the Wastewater Treatment Plant were slightly different than other buildings, and asked why that was. Mr. Reine clarified that the Town has a multi-year contract with Consolidated Energy for that facility.

Councilor Welsh then asked for clarification on the Town Hall alarm system charging and if the system was new. Mr. Reine clarified the charges and confirmed that the system was new.

Administrator Selig noted an ask from earlier in the meeting concerning confusion on whether certain costs should be hosted in the CIP or in operating costs. Mr. Reine

answered that he viewed them more as CIP costs, as they factor into the Town's Master Plan and allow for carry over potential for multiple years.

Councilor Friedman asked what the cause was for the 6.5 percent increase in user fees for the wastewater fund and the 23.6 percent increase in the water fund budget. Mr. Reine answered that these were mostly due to the pandemic, as the Town shares costs with UNH based on a three-year rolling average. The current average is based on the years 2019-2021, pandemic years that led to a drop-off in water and sewer usage for UNH.

Councilor Welsh asked for clarification on revenues and expenditures of the Lee Well pipeline, as his current reading is of an approximate \$30,000 cost for a \$15,000 revenue. Gail Jablonski clarified that the revenue was \$15,000 over the Town rate.

Councilor Welsh asked what diesel fuel the Town purchased, noting his inference that the Town had switched types. Mr. Reine corrected this, as the fuel and gasoline costs were put on the same line.

Councilor Welsh asked for clarification on the 1.4 million to the Oyster River Dam. Mr. Reine answered that that line was part of a NOA grant application to include a fish ladder at the upstream dam, given the imminent removal of the Mill Pond Dam.

Councilor Welsh noted that he had some questions for Gail Jablonski. The first set of questions concerned the revenues section of the book. Councilor Welsh asked if the interest rate on penalties went up, to which Ms. Jablonski answered that the amount of people paying increased rather than interest. He then asked why Transfer Stations payments were down, to which Ms. Jablonski answered that it was based on this year's usage data. Lastly, Councilor Welsh asked why the Garbage and Recycling had a steep drop from last year. Mr. Reine answered that he had great concern for the revenue avenue, as revenue is down for almost all products. Additionally, expenditure for the process of recyclables is also considerably high, at the moment.

Councilor Welsh asked Gail Jablonski if the projected income from insurance dividends and reimbursements was too low at its current set of \$5,000 and asked if the team could also review this number.

Councilor Hotchkiss asked a question related to the year-to-year budget comparisons, specifically asking why the other general government costs had shot up in cost for this year and what the line encompassed. Gail Jablonski answered that the line encompassed the wage contingencies, sick and vacation buyout projected for the next year, as well as wage increases for non-union and contracts currently under negotiation.

Councilor Friedman also asked a question about the year-to-year comparisons, asking why the Economic Development line had been zero for the past two years. Chair Marple answered that there was formerly a Director of Economic Development, a position that had wound down and did not seem of value to the Town.

Administrator Selig commented further, noting that the philosophy of the Director's position was a focus on projects that bolstered the Town's tax base, failing to move forward. Some Town business owners have called for the Town to have a more active role in advertising and marketing for downtown businesses, but Administrator Selig noted that he has always felt that responsibility would be better suited for an organization like Durham Business Organization.

V. Adjournment

Councilor Lonske MOVED to ADJOURN the meeting, which was SECONDED by Councilor Tobias and PASSED 8-0.

The meeting was ADJOURNED at 10:04 p.m.