

These minutes were approved at the December 4, 2023 meeting.

**DURHAM TOWN COUNCIL—BUDGET WORKSHOP
MONDAY, NOVEMBER 13, 2023
DURHAM TOWN HALL - COUNCIL CHAMBERS
7:00 PM**

MEMBERS PRESENT: Chair Sally Needell, Councilor Eric Lund, Councilor Emily Friedrichs (who uses the pronouns ze/zir/zirs/zirself and the title Mx. Friedrichs) (arrived at 7:02 PM), Councilor Carden Welsh, Councilor Charles (Chuck) Hotchkiss, Councilor Joseph (Joe) Friedman, Councilor Wayne Burton, Councilor Eleanor (Ellie) Lonske, Chair Pro Tem James (Jim) Lawson

MEMBERS ABSENT: None

OTHERS PRESENT: Administrator Todd Selig, Business Manager Gail Jablonski, Assessor Jim Rice, Code Enforcement Officer Audrey Cline, Parks & Rec Director Rachel Gasowski, Churchill Rink Manager Bill Page, IT Manager Luke Vincent, Assistant IT Manager Michael Rohr, DCAT Coordinator Craig Stevens, DPW Director Richard Reine, Library Director Sheryl Bass, Assistant Library Director Audra Lewis, Library Trustee Chair Robin Glasser, Police Chief Rene Kelley, Fire Chief David Emanuel

I. Call to Order

Chair Needell called the meeting to order at 7:00 PM.

II. Town Council grants permission for fewer than a majority of Councilors to participate remotely - Not applicable

III. Roll Call of Members

Councilor Hotchkiss—Aye, Councilor Welsh—Aye, Councilor Lonske—Aye, Councilor Burton—Aye, Chair Pro Tem Lawson—Aye, Chair Needell—Aye, Councilor Lund—Aye, Councilor Friedman—Aye, Councilor Friedrichs—Aye

IV. Approval of Agenda

Chair Needell MOVED approval of the November 13, 2023, agenda as presented The motion was SECONDED by Councilor Lund and PASSED unanimously, 8-0, by a show of hands.

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

- A. Shall the Town Council Adopt Resolution #2023-27 Proclaiming Saturday, November 25, 2023, as “Small Business Saturday” in Durham, NH and urge Durham residents to support small businesses and merchants in Durham on this day and throughout the year?

- B. Shall the Town Council adopt Resolution #2023-28 Memorializing the November 6, 2023 Acceptance and Expenditure of a **State of New Hampshire Department of Natural and Cultural Resources/Division of Historical Resources** grant (Moose-Plate grant) in an amount of \$20,000 for rehabilitation of the Bickford-Chesley House at Wagon Hill Farm and authorizing Administrator Selig to Sign and Submit all necessary paperwork?

Chair Needell read and MOVED approval of the Unanimous Consent Agenda items listed above, as presented. The motion was SECONDED by Councilor Hotchkiss and PASSED unanimously, 8-0, by a roll call vote: Councilor Hotchkiss—Aye, Councilor Welsh—Aye, Councilor Lonske—Aye, Councilor Burton—Aye, Chair Pro Tem Lawson—Aye, Chair Needell—Aye, Councilor Lund—Aye, Councilor Friedman—Aye

VI. Public Hearing on the Administrator’s proposed FY 2024 Operating, Capital, and Special Fund Budgets

Councilor Friedrichs arrived at the meeting at this time (7:02 PM).

Chair Needell MOVED to OPEN the Public Hearing on the Administrator’s proposed FY 2024 Operating, Capital, and Special Fund Budgets. The motion was SECONDED by Councilor Welsh and PASSED unanimously, 9-0, by a roll call vote: Councilor Hotchkiss—Aye, Councilor Welsh—Aye, Councilor Lonske—Aye, Councilor Burton—Aye, Chair Pro Tem Lawson—Aye, Chair Needell—Aye, Councilor Lund—Aye, Councilor Friedrichs—Aye, Friedman—Aye

Former Town Councilor Julian Smith said it was a big budget and he hoped it passes smoothly.

Councilor Lund MOVED to CLOSE the Public Hearing on the Administrator’s proposed FY 2024 Operating, Capital, and Special Fund Budgets. The motion was SECONDED by Councilor Hotchkiss and PASSED unanimously, 9-0, by a roll call vote: Councilor Friedman—Aye, Councilor Friedrichs—Aye, Councilor Lund—Aye, Chair Needell—Aye, Chair Pro Tem Lawson—Aye, Councilor Burton—Aye, Councilor Lonske—Aye, Councilor Welsh—Aye, Councilor Hotchkiss--Aye

VII. Continued deliberation of the Administrator’s proposed FY 2024 Operating, Capital, and Special Fund Budgets and the 2024-2033 Capital Improvement

The Council reviewed and asked questions of the following departments/department heads regarding their respective proposed budgets.

Michael Behrendt - Planning Department & Planning Board. Mr. Behrendt was not present at this time.

Councilor Welsh questioned the increase in part-time wages for the Planning Board on page 87 of the proposed budget, which includes the minutes taker position and stipend for Planning Board members.

Jim Rice, Assessor

Councilor Welsh asked if the contracted services line was for the reassessment that was completed this past summer. Administrator Selig said the Town has a contract with George Sansoucy for utility appraisals. Councilor Welsh asked if that was separate from the “consultants” line item to which Administrator Selig replied that these were funds for a separate contract with Mr. Sansoucy to defend the Town on the Eversource appeals for 2018 & 2019 of \$10,000, and another \$2,500 to bring on a commercial/industrial appraiser.

Audrey Cline, Code Enforcement

Councilor Welsh asked if the Building Inspector and Code Enforcement positions are the same position. Business Manager Jablonski replied that they were, and Councilor Welsh suggested using consistent titling in the future.

Councilor Welsh noted that part-time wages expended for Code Enforcement in 2023 were \$24,000 and that \$65,000 is proposed for 2024. He asked what the department anticipates for 2024. Ms. Cline replied that last year, the department did not have a Code Enforcement Officer for part of the year, so not much of the funds were expended. She said that line was also reduced due to the part-time electrical and plumbing inspectors not using their entire budgets as in previous years. Councilors also asked questions of Ms. Cline regarding the impact of receiving fees and fines relative to construction projects in Town.

Councilor Friedrichs asked if the electrical and plumbing inspectors would be receiving training on the state building code update projected for 2024. Ms. Cline said that both inspectors would receive training once the code is in effect.

Town Clerk/Tax Collector

Regarding the General Revenue budget, Councilor Lund asked why the “Yield Tax” (-120%) and “Fire-Misc” (-133%) line items were showing reductions of greater than 100% and asked how the numbers were arrived at to exceed 100%. Administrator Selig replied that Yield Tax are timber taxes, and the Town is not aware at this time of any properties where it expects a cut. Councilor Lund said that would explain why the absolute number is down, but he said most people would expect if they were seeing a 100% cutback that would zero out the line item, which is not the case with the two items he pointed out.

Regarding the Fire Misc line item, Ms. Jablonski said the number is based on what was received in revenue from the prior year. 2023 was estimated high based on the prior year, but 2024 will be back to normal.

Rachel Gasowski, Parks & Recreation Director

Ms. Gasowski provided information regarding the programs offered and numbers in 2023, which she thought would help to pave the way going into the FY 2024 budget.

- Offered 72 adult program opportunities
- 650 adult program registrations
- Offered 46 youth program opportunities

- 858 youth program registrations
- Offered 12 community events
- Offered 10 weeks of summer camp; 470 camper registrations
- 4,337 RecDesk online registration system members (2,060 Durham residents, 805 Lee residents, 414 Madbury residents, 1058 from surrounding communities)
- 2000 FaceBook followers
- 487 Instagram followers

Chair Pro Tem Lawson asked if, before travel, any of the revenue goes into the Town's books or is it all separate with people paying directly. Ms. Gasowski replied that people pay directly.

Chair Pro Tem Lawson noted that the Parks & Rec budget last year was around \$375,000, and as of September 2023, \$290,000 has been expended, so it appears to be pretty much on budget for this year. He asked Ms. Gasowski if she anticipated ending up around that same amount (\$370,000-\$375,000) by the end of this year, to which Ms. Gasowski replied she thought it would be close to that amount.

Chair Pro Tem Lawson said what he liked about the Parks & Rec budget is that about half of the budget's programs are being paid for by fees and registrations. He said the other half of the programs offered do not have revenues attached, but are important in terms of building community, which is where he was hoping the Parks & Rec model would end up and he was pleased overall with the budget presented.

Councilor Welsh asked what the current rate is for part-time wages and what will it be raised to. Ms. Gasowski replied \$15/hour on average and that a camp director, for instance, will be going from \$17/hour to \$20/hour. She has been struggling to attract anyone to apply for a camp position this year over the age of 15.

Responding to a question from Councilor Welsh, Ms. Gasowski explained how "contracted services" work.

Councilor Welsh said Ms. Gasowski mentioned that Durham offers programs to other surrounding communities and asked if those communities are paying different rates. Ms. Gasowski said they are except for Lee and Madbury at this time.

Councilor Friedrichs wondered if the Parks & Rec Department could examine a pricing range that was a little more significant that has been set in the past but still be an attractive offering for non-Durham residents that are not significantly subsidized by Durham's property taxes.

Additional discussion occurred regarding fee structure costs for other communities enrolling in Durham Parks & Rec programs.

Councilor Friedrichs asked if the Town charges \$1,000 annually to lease parking at the Parks & Rec building (formerly the Durham Court House). Administrator Selig provided background information saying that at one point the Town felt it was important to have parking for uses at that building, not Parks & Rec at that time but the Oyster River Youth Association and the Durham Historic Association. The Town entered into a 20 or 25-year lease agreement with the owner of the Irving Station and agreed to market rate costs per parking space. He said there may be another 3-4 years left on that agreement.

Regarding the issue of program costs, Councilor Welsh felt that Parks & Rec should increase its program costs, including inflation of 12%, and those programs that are popular could probably be increased by more than the cost of inflation.

Further discussion continued around Parks & Rec programs and perspectives and ideas regarding fee and revenue increases. Councilor Welsh suggested that the Council ask Ms. Gasowski to go back, look at fee increases and their effects on revenues, and return to Council with a new number.

Councilor Friedman suggested that when increasing prices Ms. Gasowski first look at those programs that are most popular and sell out quickly.

Councilor Friedrichs said if the fee structure is going to be revisited then it may make sense to look at whether there is a way to incorporate some sort of sliding scale into that or a scholarship plan.

Administrator Selig noted that, for example, in terms of the summer REACH program the Town partners with ORCSD, children go to the school program in the morning and then transition over to the Parks & Rec program in the afternoon. He said it is awkward in the morning when there is one price for everyone and then an upcharge in the afternoon. There is a certain element of having economy to scale for the afternoon group that allows Parks & Rec to do more with the Durham children. Secondly, a good part of Durham is an affluent community and those families that use Durham's Park & Rec programs have many choices of where they send their children and what those children participate in. However, there are many families that cannot afford to do that, so the Parks & Rec programs are more important to them, and these are the families that will be more price conscious.

Councilor Burton said it should be kept in mind that Parks & Rec programs should benefit everyone in Town, and he would hate to see it price out of market those families who cannot participate simply because they do not have the income.

Chair Needell agreed with Councilor Burton and suggested that Ms. Gasowski take the time to reevaluate if there are some changes to be made with the assistance of the Parks & Rec Committee members.

Chair Pro Tem Lawson suggested that adults from the Towns of Lee and Madbury should not be charged the same amount as adults from Durham for programs they register for.

Councilor Burton suggested Ms. Gasowski also look into the UNH's work study program to hire summer help, which can save a lot of money since wages are paid for out of the federal work study fund. Ms. Gasowski mentioned that she had looked into the work study program, and it was hard scheduling students.

Councilor Welsh said something to consider would be to allow Durham citizens to have first choice for programs over citizens from Lee and Madbury since it is Durham citizens that are paying for those programs through their property taxes.

Bill Page – Churchill Rink at Jackson’s Landing

Mr. Page said the rink was off to a good start for the season and he had nothing out of the ordinary to report. He noted that the “contracted services” line item was increased because he wanted to spend more money on the rink’s maintenance and infrastructure without having to do any major renovations.

Councilor Welsh asked Mr. Page if he felt he would be able to hit the budget for this year to get \$37,000 into the Fund Balance. Mr. Page replied that he did and explained why. He said, however, in the rink business anything can happen at any time.

Luke Vincent & Michael Rohr - MIS/DCAT/GIS

Mr. Vincent highlighted major items included in his proposed budget:

- Increase licensing levels moving from Office365 G3 to Microsoff365 G5 (jumping in defender, phone, and fogging capabilities).
- Implementing a cloud-based Identity and Access Management System with shims for existing services, building external controls and links to HR.
- Establishing new paths to back up on-prem and cloud data.
- Scalable event monitoring to provide detailed log analysis and retrieval.
- Complete station upgrade with the ability to store more video, provide more streams on more devices, and live closed captioning in one or more languages.
- Continuation licensing, at current levels, of the tools and services needed to continue the GIS program. Through the expert work of Steve Lutterman, GIS Program Administrator, Town has been able to maintain a contract that would have almost doubled (based on population).

Councilor Welsh noted that the line item “SoftwareSupport/MaintAgreements-M.I.” is going up to around \$200,000 and asked if that will now be the baseline level going forward. Mr. Vincent replied that he could not be completely certain because of work still being done in this area but felt that in the next few years it would be something close to that amount.

Councilor Friedrichs asked why the Town was continuing to buy individual cell phone devices for its employees instead of some other option such as providing a chip and separate plan for employees to use as their Town-based cell phone or setting up employees with a work profile. Mr. Vincent provided an explanation and reasons why the Town continues to issue its employees with individual cell phones. In addition, he said that not all Town employees are issued cell phones.

Mr. Vincent addressed a suggestion raised by Councilor Friedrichs relative to separating out some of the critical security upgrades in software improvements from some of the other software upgrades instead of including all upgrades in one line item. At the request of Administrator Selig, Mr. Vincent also explained some of the security-related benefits relative to the changes to software that the Town will be making.

Regarding the DCAT budget and addition of closed caption, Councilor Friedrichs asked why the Town was supporting two systems (DCAT and Zoom) and wondered if it should be focusing on

just supporting one, especially with the shift in television now being provided via the internet. Mr. Vincent replied that the upgrade being made is universal to the station and is not dedicated to one service or the other. He said the closed captioning would be available on that web stream as well.

DCAT Coordinator Craig Stevens explained in more detail what will be included in the upgrade and those services it will support.

Councilor Lund said that since the Castus system upgrade is something being purchased only every 3-4 years, he asked if the \$30,091 budgeted for the Castus system upgrade should be paid for through the Capital Budget rather than the Operating Budget. Mr. Vincent replied that it could be paid for either way because Castus is a service as well. He said it came down to the question of budgeting this item as a service or a capital cost and decided it was better to budget as a service because it is bundled with equipment costs.

Councilor Friedman asked if anything has occurred to provide Councilors and other board/commission/committee chairs with Town email addresses. Mr. Vincent said that by using iCloud, the Town can now provide external accounts, so yes, the Town will be able to create those accounts moving forward.

Chair Pro Tem Lawson noted that this week, he believed the Police Department will be changing over to a new Land Mobile Radio (LMR) system, which is sorely needed. He said it had been an incredibly complex undertaking and acknowledged Mr. Vincent for his efforts and time spent on this matter.

Luke Vincent & Richard Reine - GIS

Councilor Welsh asked what had been done with GIS that's been helpful.

Mr. Vincent replied that a public mapping service has been launched online resulting in much better tax maps and infrastructure maps. He said the parcel lines now match up to the imagery. There are also several layer additions that have been instrumental for the work that is done by the Department of Public Works.

Public Works Director Richard Reine explained in more detail how the GIS upgrades have helped the department in terms of locating any problems in the Town's water, sewer, and stormwater systems.

Sheryl Bass, DPL Director; Robin Glasser, DPL Trustee Chair, Audra Lewis, Assistant DPL Director - Durham Public Library

Ms. Bass briefly highlighted some of the library's activities and changes in 2022 and 2023 to date:

- Over the past year (post pandemic), the library had a lot more of the adult population signing up for programs offered. More UNH students are using the library as well.
- A change in the way people use the library's meeting rooms.
- Circulated approximately 73,000 physical materials and expected to exceed that in 2023.
- 60,000 visits in 2022 and expected to exceed that in 2023.

- Made significant changes in library staffing to have a clear chain of hierarchy and provide a defined path for library employees.

Councilor Welsh asked if the Friends of the Library would be donating to the library this year. Ms. Bass replied they would and explained that the Trustees fund-raise to add a certain amount of money to the library budget. The Friends of the Library are not included in the library budget. They donate an amount depending on how their fund-raisers go from year to year.

Chair Pro Tem Lawson asked how much money the Library Trustees were expected to provide for expenses in 2023. Ms. Glasser responded that the Trustees are committed to providing \$25,000 in 2023 and \$20,000 going forward. Chair Pro Tem Lawson asked why the Trustees were committed to help fund expenses. Ms. Glasser replied that the Trustees' annual appeal over the past three years has been dwindling so the Trustees are committing more to the budget than they are receiving through their annual appeal. Also, as unanticipated expenses arise throughout the year, the Trustees end up contributing more.

Councilor Friedrichs asked if the library had any data on the number of Durham residents that use its programs as opposed to residents from other areas. Ms. Bass replied that programming data is difficult to capture but the library currently has 5,353 active library card users of which 84% have Durham addresses.

Councilor Lund asked for those that are not Durham residents, what fraction are Oyster River Cooperative School District students. Ms. Bass replied that ORCSD students are the majority. The only other card holders would be paying non-residents or UNH students.

Chair Pro Tem Lawson noted that funding for the library is going to increase 9%. The Town's expenses in the proposed budget are increasing 6%. He asked if Ms. Bass thought it was reasonable to expect that in the 2025 budget the library would align more closely with the Town's increases. Ms. Bass replied that the majority of the increase in the library budget for 2024 is driven by increases in benefits, primarily health insurance, as well as the cost of digital resources. However, there are some measures the library can take to control expenses and she believed the library could be more in line with the Town going forward.

Richard Reine – Department of Public Works

Chair Pro Tem Lawson expressed a concern regarding the Madbury Road Complete Streets Project. He said at the time the Town entered this project, it had hoped for a large grant to cover a substantial amount of the cost. Now the Town has \$2,000,000 for the three years that the Town would bond for the project. Mr. Reine explained that this project was structured over four phases and provided detail regarding what is included in each of those construction phases.

Councilor Welsh said he thought there was a potential problem with capital improvement repayments coming up in the second half of the 2020s where all of a sudden the Town will have significantly higher bond payments than usual, which will make it more difficult to do an Operating Budget knowing that those bond payments are coming due, and if this project is mounted on top of that, he felt it will be even worse. He thought it was odd to start a project at Main Street up to Garrison Avenue and then stop. He asked Mr. Reine if that was realistic. Mr. Reine replied that was one of the phases that was developed and can be determined whether funding is available to move forward. He pointed out that this is a project that is not a "nice to

do” but a “have to do” because of old sewer and water mains that need replacing and taking the opportunity for making traffic calming measure improvements.

Councilor Burton said the Council will be meeting with the state delegation. He asked Mr. Reine what the Council should be asking the representatives to do for the Town regarding Public Works funding at the state level. Mr. Reine replied that state funding is available, and he would love to see the state target some of that funding for the Town’s water and sewer infrastructure, as well as roadway improvements

Chair Pro Tem Lawson asked Administrator Selig since the state decided not to do the Northern Connector, does that potentially give the Town some leverage as it relates to the Madbury Road project since that will become a major thoroughfare going out to Dover. Administrator Selig replied that he did not have an answer at this time. He applauded the NH Department of Transportations for fast tracking the Route 4 and Madbury Road interchange upgrade, which is moving forward now. He noted that neither the state nor UNH at this time have a desire to do the Northern Connector project anymore. He noted there is already a western access and exit route to Route 4 on campus to Old Concord Road.

Councilor Welsh asked Mr. Reine and Business Manager Gail Jablonski if they could combine all of the Department of Public Works line items into one budget separate from the rest of the budget book for future budgets. Administrator Selig suggested that having a supplemental booklet for the DPW budget might work well.

Councilor Welsh said that Public Works full-time wages were up 9% and asked why that percent was higher than inflation. Administrator Selig replied that the Town has a new DPW bargaining unit contract that went into effect this year. There were a number of wage adjustments made to some of the positions in order to remain competitive. The adjustments also included a 3% COLA.

Councilor Lund noted that the Council has received letters from residents regarding the discontinuance of the spring bulky waste pickup. He asked if there could be a compromise where on certain days (example: 1st four Fridays in May) when DPW staff would be available and residents that need to drop off bulky waste items could call and reserve a slot on one of those days. He asked if that would represent significant savings over the existing program.

Mr. Reine said historically when the program was first started, it was very reasonable, and residents would put out one or two items to be picked up. And, although it was an effort on the part of DPW staff, it was not as much as it is currently where they will come across full kitchen remodels that have been placed on the curbside to be picked up, as well as boats. He said it has been growing to the point where he believes it has become unmanageable and less sustainable.

Discussion occurred around other alternatives and services residents could utilize to have their bulky waste picked up and disposed of.

Regarding the sidewalk improvement program, Councilor Friedrichs asked how far the granite curbs are going to be extended. Mr. Reine replied if there is already existing granite curbing, it will be replaced.

Councilor Lund noted that in the proposed Capital Improvements Program relative to the drainage system rehabilitation program, \$85,000 is shown for the year 2025-2033. He asked Mr. Reine if this is going to be a recurrent cost, would he consider moving it to operating costs rather than bonding it, noting that the road program is a recurrent project and is funded through the Operating Budget. Mr. Reine replied he would need to have a discussion with Business Manager Gail Jablonski to determine the best method for financing the project.

VIII. Adjourn (NLT 10:30 PM)

Councilor Lonske MOVED to adjourn. The motion was SECONDED by Councilor Welsh and PASSED, unanimously, 9-0, by a show of hands.

The meeting was ADJOURNED at 10:24 PM.

Jennie Berry, Minutes Taker