1 2 3 4 5 6		DRAFT DURHAM TOWN COUNCIL BUDGET AND CIP WORK SESSION MONDAY, DECEMBER 8, 2025 DURHAM TOWN HALL - COUNCIL CHAMBERS 7:00 PM
7 8 9 10 11	Wayn	IBERS PRESENT: Chair Joseph Friedman, Chair Pro Tem Sally Needell, Councilor e Burton, Councilor Darrell Ford, Councilor Carden Welsh, Councilor Robin Vogt, cilor Em Friedrichs (who uses the pronouns ze/zir/zirs/zirself and the title Mx. Friedrichs)
12 13	MEM	IBERS ABSENT: Councilor Curtis Register, Councilor Heather Grant
14 15 16 17	Chief	ERS PRESENT: Town Administrator Todd Selig, Business Manager Gail Jablonski, Fire Dave Emanuel, Deputy Fire Chief Rob Atwater, Public Works Director Richard Reine, am Public Library Director Cheryl Bass
18 19 20	I.	Call to Order Chair Friedman called the meeting to order at 7 P.M.
21 22 23	II.	Town Council grants permission for fewer than a majority of Councilors to participate remotely. Not needed.
24 25 26 27 28	III.	Roll Call of Members Councilor Robin Vogt, Councilor Em Friedrichs, Chair Joseph Friedman, Chair Pro Tem Sally Needell, Councilor Wayne Burton, Councilor Darrell Ford, Councilor Carden Welsh.
29 30 31 32 33	IV.	Approval of Agenda Councilor Ford MOVED to approve the agenda as written. Chair Pro Tem Needell SECONDED the motion. The agenda was APPROVED on a show of hands vote of 7-0.
34 35 36 37	V.	Continued Discussion and Deliberation of the Administrator's proposed FY 2026 Operating, Capital and Special Fund Budgets, and the 2026-2035 Capital Improvement Plan
38 39 40 41 42 43		Councilor Welsh said Administrator Selig had sent to the Council that the town had a 9.2% increase in expenditures if the reserve the town used last year is taken out. Councilor Welsh asked Ms. Jablonski to update that with the changes from the last meeting and she said that it down to an 8.23% increase in expenditures. He said he asked Ms. Jablonski how to get it below 8% and she said if you take out \$100,000, you reduce it by .5%.

He MOVED to reduce the budget by \$45,000 and let the administrator work with department heads to split that up over the departments. Chair Friedman SECONDED the motion.

Ms. Jablonski said that would reduce the increase to 8.01%. Councilor Welsh MOVED to amend his motion to make the reduction \$49,000, which Ms. Jablonski said would get it to 7.99%. Chair Friedman SECONDED the amendment.

 Councilor Friedrichs proposed cutting all non-personnel budgets across the board by 5%. Ze said it doesn't include the Capital Improvement Plan, just material goods and contracts. Ze said each department head could work with Administrator Selig to find the cuts and that it would save \$450,000. Ze said it gets the Council closer to its goal of \$1,200,000.

Chair Pro Tem Needell noted the Council didn't assign a percentage or an amount to anything in its goals. Administrator Selig read the Council goal, which was set on June 16, 2025. "The Council, Administrator, local boards and departments will work collaboratively to broaden and diversify Durham's tax base as the primary strategy for maintaining a stable municipal tax rate adjusted over time for inflation using the Boston-Cambridge-Newton CPIU and trends in construction and labor markets. This includes promoting taxable business development in the commercial core guided by smart growth principals and at key locations such as Technology Drive and Stone Quarry Drive. It also involves partnering with UNH on economic development projects like the West End and potentially 66 Main St. At the same time, we will continue to manage spending and reserve levels prudently, increase non-tax revenues and external grant funding where possible, and make the strategic personnel and capital investments necessary to support the ongoing delivery of high-quality services for residents and businesses."

Councilor Friedrichs said the Council has cut about \$200,000 from the budget that was originally proposed by the town administrator, which includes additional revenue found by the finance department. To be at a flat rate adjusted for inflation, ze said, the budget would need to be reduced from \$13,300,000 to \$11,570,000, which would be cutting \$1.5 million. Ze said ze doesn't see the Council being able to do that. Ze said it is still at a 17% increase from last year's budget. Ze feels the 5% reduction is doable. Ze estimated the reduction would be \$440,000 and not touch any personnel costs.

Councilor Welsh said that seems high and asked if ze excluded the repayment of debt and interest. Councilor Friedrichs explained the process ze used: subtracting all personnel costs from the overall budget, looking at what would be levied as taxes not revenue. Councilor Welsh said principal and interest should be excluded. Ms. Jablonski said Page 13 of the budget breaks down the costs. Councilor Friedrichs said if you take out all fixed costs, 5% of the remaining budget items would save \$286,000. Ze said Administrator Selig and department heads would know best what to cut.

Councilor Burton said the department heads know better than the Council does, but the would mean the Council taking strategic decisions and putting them on the people in

charge of public safety. Across the board cuts don't take into account who's most at risk, and he said he's nervous about every department having the same cut when they all have different functions, and cutting everyone at the same rate doesn't make sense especially when it comes to the police and fire departments.

Councilor Ford said those costs in the budget are increasing 7% and if you cut 5%, department heads won't even be able to keep up with inflation and won't be able to provide some services. He said department heads and Administrator Selig have already given Councilors their best attempt at the budget maintaining the services the town has and the Council can't tell them to go find more. He said the Council needs to tell them what services to cut and make the hard decisions.

Chair Friedman said the amount that would be cut is \$286,386.

Councilor Friedrichs said Councilor Ford's point is fair, but it's unfair to taxpayers to just be business as usual. Ze said the school district budget is not increasing this much and the town needs to be reasonable about what it can maintain until the tax base is larger.

Councilor Needell said the Council needs to be very specific about what the cuts are and that last year it considered an across-the-board cut, but chose not to do it. Chair Friedman agreed the Council needs to be specific and asked where Councilor Friedrichs wanted to cut. He said finding the \$49,000 is doable and fairer, but he feels asking town staff to find \$286,386 is too much to ask them to find. Councilors discussed the budget presentations that department heads gave to Ms. Jablonski and Administrator Selig, which many of them attended.

Councilor Welsh said in terms of strategy versus tactics, the Council's strategy is to tell town staff what Durham wants as a town. He said he's not sure what happened, but the old strategic objective for the Council was not to grow taxes above inflation adjusted for new valuation. He said for whatever reason that changed and the Council gave up the premise that taxes only rose with inflation. He said he feels residents want to get back to that. He said this year, a lot of things have hit that make this difficult. He said the Council needs to discuss the debt, which added \$800,000 this year. If you adjust for taking the reserves last year to cover expenses, which he feels was probably a mistake, taxes would only be up 4.5%. He said that's why it's difficult to cut any further because everything else is fixed. He said he suggested \$49,000, which is doable, but \$250,000 is a big ask.

Councilor Burton said the Legislature has helped the school district keep its budget increase down, and noted the town doesn't have that because the state doesn't support the town. He said he would vote for this budget as is, and not support across-the-board cuts.

Administrator Selig said the 16.6% increase is significant and made it prominent in the last Friday Update. He said the town heard from a handful of residents who gave thoughtful feedback to that budget news. He said in May and June, the Town Council moved away from setting a goal percentage and the policy Councilor Welsh described because it was clear it wasn't going to be possible without draconian cuts and the Council

wasn't interested in that, and instead focused on broadening the tax base. Subsequently he said he and the Council heard from residents concerned that increasing the tax base would change the character of the town and some even said they'd pay more in taxes to maintain the town's character as it is.

He said the Council said it would make strategic decisions necessary to maintain high-quality services and that's what town staff based their budgets on. He said residents often encounter the budget process and wonder how the town got to this point, and he noted some residents in attendance at the meeting live in the areas of town most affected by the revaluation that just took place. He said a revaluation is a redistribution of the tax burden and its goal is to affix a fair value across all properties. He said he feels the town and Council are captives of an outdated process of funding government through local property taxes, but that's the law.

He said an across-the-board cut is the wrong choice, it is not strategic at all, and it disincentivizes and discourages honest budgets in the future, which he has seen happen in other towns. He said that's not how it is done in Durham. He said town staff believes a budget is an honest budget when it is proposed.

He said people refer to a drop in the town's population, which is actually a decline in the student population, but not a decline in the demand for services from the town's departments. He said the work the town does is significantly affected by the economic environment.

He said he believes the budget is streamlined to accomplish what the town needs, and if it can be reduced further, he said he and Ms. Jablonski will identify cuts strategically and then let the Council know the impact of the additional cuts. He said the across-the-board approach works against all he and town staff have tried to achieve, and that the departments are all different.

Chair Friedman said he observed in the budget presentations that wages were increasing 3% but that health care was increasing 15%, and in the three collective bargaining sessions, only the wages were discussed, and he said looking at the total compensation packages for workers, which is not comfortable, may be needed in the future.

Administrator Selig noted the five-year union contracts which are being renegotiated now kept costs contained while salaries in other towns saw significant increases. It was saving the town money for years, but is making it difficult to attract and keep employees now as they are attracted to more lucrative positions and signing bonuses in other towns.

Councilor Welsh said all these factors mean we need to be very careful about hiring new positions when the town isn't growing. Administrator Selig noted the town has reduced some positions to part-time, which has added an additional burden to the other staff. He added the police department's CALEA part-time position, which has been discussed in terms of the budget reductions, is slated to also help with the parking permit program. He said the town launched the overnight parking permit program and has already sold 35

annual permits at \$1,200 for a total of \$30,000 in new revenue and there are 70 available in total.

Chair Pro Tem Needell listed projects where the town can anticipate potential revenue in the next couple years including the R.J. Kelly project at Technology Drive, River Woods Phase Two payment in lieu of taxes, development or sale of 66 Main St., the Mulhern Randolph development which originally was developing 19 units, residents adding accessory dwelling units, development at 50-54 Main St. which was just sold, the UNH West Edge project, Torrington potentially developing Mill Plaza more, new house construction noting three on her street alone, and the zoning changes the town made this year to encourage development. She said homes in her neighborhood that were once rentals or just had two people living in them now house families with multiple children. Councilor Burton said he too is seeing more families with children move into his neighborhood.

 Chair Friedman said he feels there will be increased revenue opportunities moving forward and noted a recent study that found every \$1 in commercial revenue costs the town \$.23, but every residential tax base dollar costs \$1.05, so the town being able to diversify with commercial development would be a relief on the tax burden.

Councilors discussed the anecdotal population growth and keeping these new development projects in mind when setting next year's goals

Chair Friedman reminded Councilors there was a motion to reduce the overall budget by \$49,000 at the Administrator's discretion after the savings of \$200,000 already cut.

Councilor Friedrichs said ze did make a motion to amend that motion, but it was not SECONDED.

The motion PASSED on a roll call vote of 4-3.

Councilor Vogt - aye; Councilor Friedrichs - aye; Chair Friedman - aye; Chair Pro Tem Needell - nay; Councilor Burton - nay; Councilor Ford - nay; Councilor Welsh aye.

Councilor Friedrichs, MOVED to reduce the amount for purchasing new items for the adult and children's print collection at the library by 50%. Ze noted they are line items 30 and 32 on Page 221 of the library operating budget. Ze said the cut would leave \$11,000 for the adult collection and \$7,500 for the children's collection and mean a smaller selection of new items for the next year.

Councilor Welsh SECONDED the motion.

Councilors discussed the proposed library budget increasing 4.6 percent, higher than inflation, but not a large increase. They discussed how the library budget evolved after the new library was built, how many patrons still want books in print, and how there are

two groups set up to raise money for the library. It was noted the Council should hear from the library department head as it has with other departments before making a cut.

Library Director Cheryl Bass was contacted and will join the meeting on Zoom, but had some technical difficulty and was delayed in joining.

Councilor Friedrichs MOVED to reduce the fire department's watercraft from three to one, and bring in revenue from the sales and reduce maintenance costs, noting the vehicle comparison on Page 11. Chief Emanuel said he is intending to trade the two Sea-Doos and fiberglass boat in for one new boat. Councilors discussed the watercraft and Councilor Welsh asked if Dover has a boat. Deputy Chief Rob Atwater said Dover, Newington, Newmarket and Portsmouth all have boats and the towns work together when there's an emergency. He said the fire department just completed a significant training in

Councilor Ford said the CPI for the period 2022-2026 is 16 percent and the library budget

Councilor Friedrichs MOVED to cut \$2,500 in season lighting from the CIP.

Administrator Selig explained that it's an annual allocation that is saved to replace all the lighting at once at some point in the future, and that the reduction is doable and just

Chair Friedman said this motion would wait until her earlier motion is resolved. Ms. Bass is not on Zoom yet and Administrator Selig said the explanation he gave earlier in the discussion can be considered the department's response.

The motion to reduce the amount for purchasing new items for the library's adult and children's print collection by 50% PASSED on a roll call vote of 4-3.

Councilor Welsh - aye; Council Ford - nay; Councilor Burton - nay; Chair Pro Tem Needell - nay; Chair Friedman - aye; Councilor Friedrichs - aye; Councilor Vogt - aye.

Administrator Selig said that is a reduction of \$18,795.

Councilor Welsh SECONDED Councilor Friedrichs' motion to eliminate seasonal

Chair Pro Tem Needell cautioned if it's not funded this year or the next or the next, one year it will be a much larger CIP request and a bigger question for the Council. Councilor Friedrichs said it's an opportunity for the town to wait until it has more new tax revenue.

44

1 Chair Pro Tem Needell - nay, Councilor Burton - nay; Councilor Ford - nay; 2 Councilor Welsh - aye, Councilor Vogt - aye; Councilor Friedrichs - aye; Chair 3 Friedman - ave. 4 Councilor Friedrichs MOVED to eliminate funding for new yard lighting and the plan 5 6 update in the Wastewater Facilities Plan saving a total of about \$220,000, but retain 7 funding for the PLC upgrades for \$250,000. Councilor Welsh SECONDED the 8 motion. 9 10 Public Works Director Rich Reine said the facility does have some yard lighting, but it hasn't worked for a while, and it is a safety and security concern with employees working 11 12 in the dark and near open water. Councilors discussed the concerns about adding light 13 pollution and its effect on wildlife and insects in that area near the Great Bay, and the 14 possible need for community input on the issue. Mr. Reine pointed out these are capital items and UNH funds two-thirds of them, the town one-third, and suggested a phased 15 16 approach for the lighting. 17 18 Councilors discussed the funding, which is on Page 102 of the CIP, including a 19 discussion of the facilities plan update, what it requires and why it is needed, and if it and the lighting can be delayed. It was noted this doesn't affect the town budget, it's funded 20 by the wastewater fund and UNH, and that it is a bonding item. 21 22 23 The motion FAILED on a roll call vote of 5-2. 24 25 Councilor Friedrichs - aye; Councilor Vogt - nay, Councilor Welsh - aye, Councilor 26 Ford - nay, Councilor Burton - nay, Chair Pro Tem Needell - nay, Chair Friedman -27 nay. 28 29 Ms. Bass joined the meeting on Zoom and said the cut to the library collection budget is huge and wanted to understand why the Council decided to make that reduction.. 30 Councilors gave their reasoning for voting to reduce the print collections budget by 50%. 31 32 She thanked Councilors for explaining and said she understood. 33 Councilor Friedrichs MOVED to amend her motion to fund \$60,000 for yard lighting 34 35 and \$205,000 for PCL upgrades in the wastewater budget in the CIP, but cut the funding for and delay the facilities plan update. Councilor Welsh SECONDED the 36 37 motion. 38 39 Mr. Reine explained how the town's new permit for the wastewater plant has requirements and how the facilities plan update overlaps with that process. He gave a 40 41 brief history of the permitting process.

The motion FAILED by a roll call vote of 5-2.

Chair Pro Tem Needell - nay, Councilor Burton - nay, Councilor Ford - nay, Councilor Welsh - aye, Councilor Vogt - nay, Councilor Friedrichs - aye, Chair Friedman - nay.

Chair Friedman said there is a motion before the Council to approve the budget with amendments made during the last two meetings.

Councilors discussed how to proceed and consensus was that Administrator Selig will develop a list of how the amendments and the additional \$49,000 in cuts he has to identify might change other aspects of the budget. He gave the example of a current problem with the town's server room as an example of how unpredictable issues arise and need immediate fixing, and the reductions make that more difficult.

Chair Friedman MOVED to approve the budget with the \$199,000 in cuts from the last meeting, the \$49,000 reduction that Administrator Selig will decide, \$18,500 cut from library budget, \$2,500 reduction in seasonal lighting, and adding \$66,000 in new revenue.

Councilors discussed how DPW is down six positions and two are not being filled because of the switch to outsourcing trash pickup. Councilor Friedrichs asked if the hiring of the four open positions could be staggered, saving some money. Administrator Selig said he did not recommend this because the staff right now can barely clear the town of snow. It was noted that both the DPW director and assistant director were out plowing and clearing sidewalks in the last snowstorm.

Ms. Jablonski said she will develop a budget resolution for the Council's Dec. 15 meeting. Administrator Selig said he recommended this so the Council will have exact numbers and the specific tax rate, and it will include the \$49,000 in reductions he is finding, and will be in the Council packet they receive on Thursday. Ms. Jablonski said with this meeting's reductions the budget is now at 7.89 percent increase in expenses, and the tax rate will be \$5.94, a 15.96 % increase.

Councilor Burton said the problem with the timing is the information about the final budget will be in the Friday Update and the public will only have two days to react and communicate what they want. Administrator Selig said the last Friday Update with the more than 16 % increase went out to 4,300 subscribers and only five wrote the Council about it. Councilors discussed how they have to vote on Dec. 15 because there is a Dec. 31 deadline to vote or the original budget goes into effect. Administrator Selig noted the Charter gives force to the Administrator's proposed budget so it is prepared with a vision and mission the town and Council want it to have.

VI. Councilor and Town Administrator Roundtable

Councilor Needell - IWMAC

She reported there have been two meetings since the last Roundtable. The committee has been discussing the PFAS in the wastewater sludge and heard a presentation from RMI, the company that takes the town's sludge. She said the committee is forming a small-group subcommittee within IWMAC to look into it and make recommendations. She said unfortunately the UNH intern Sadie Dyer, who intended to make the launching of the town's Sustainability Newsletter her capstone project, found out it doesn't qualify as one so she won't be continuing to work with the town. Needell said IWMAC will take the lead and work with other committees to launch it but it may launch later in the year. IWMAC also heard about the composting challenge presentation the Council did at the last meeting.

Councilor Burton

He said he had nothing to report because he had been travelling.

Councilor Ford - Conservation Commission

He said the commission is beginning to work in three small groups on the comments made by the public on the wastewater sewer overlay district. He said the first group meets Dec. 9 at 10 a.m. Each group will assess a certain section of the zoning ordinance and then report back to the full commission.

Councilor Welsh - Land Stewardship Subcommittee

He said the committee has not met since the last Roundtable. The next meeting is Wednesday, Dec. 10. He said they will be talking about kiosk signs and maps at town land location, and trail accessibility. Councilor Friedrichs added that creating accessible trails seems like a great opportunity for fundraising like the tennis and pickleball courts. Councilor Welsh said it was a good suggestion and he will bring it to the meeting. Chair Friedman noted Wagon Hill had set up a process where people can make a contribution to the work there and that potentially could be used to take donations. Ms. Jablonski noted there is a land stewardship fund that could take donations.

Councilor Vogt - Energy Commission

He said the committee meeting was cancelled due to the recent snowstorm. Next meeting is Jan. 6. He said the CPAC is on the agenda. He invited the public to attend the meeting and to join the committee.

Councilor Vogt - Human Rights Commission

He said the commission met last week and discussed the Know Your Rights documents it is distributing and brainstormed distribution at events. It heard from Strafford County Community Action about economic impacts on families, the increasing number of unhoused families and individuals, and the need for affordable housing options. He said Chairman Richard Belshaw described his struggle with being unhoused in the past. He said the next meeting is Feb. 12 at 3:30 p.m.

Councilor Friedrichs

Ze mentioned the Strafford County Community Action funded energy-efficient projects in town and provided fuel and energy assistance and aid with weatherization. It helped

with housing projects like fixing a roof homeowners couldn't afford to do. Ze said this points out how heating and electricity costs are a significant portion of housing costs.

Ze noted two good ideas that have come up in the budget discussion. Ze said a budget subcommittee with residents with financial expertise looking ahead could help by researching to compare local town budgets and help the town's departments by connecting with neighboring communities. Ze also said having the town administrator submit two budgets - his normal budget as usual and one that keeps the budget flat adjusted for inflation, which Councilors could use to communicate to residents what would need to be cut. Ze said ze understands how much extra work that would require, but feels it would be helpful for the Council and for residents to have a conversation about the tradeoffs the town may face.

Chair Friedman asked if the budget subcommittee would be similar to the town's other committees and Councilor Friedrichs said it would be, but it requires a larger discussion with the town administrator. Councilors discussed it being a formal committee or an ad hoc committee with an advisory role. Administrator Selig noted that if it were a formal committee, it requires minutes being taken, a video recording, posting and staff time. He also noted it would not be wise to have vying budgets. Councilor Burton said the reason the town chose its charter and went to the town administrator form of government was to professionalize the administration of the town.

Chair Friedman - Parks and Recreation Committee

He said the committee met on Nov. 18, wrapped up its season of Discover Durham Trails events, and started planning next year's events. On Jan. 23 from 5 to 7 p.m., there will be a stargazing event at Wagon Hill Farm. He said the Frost Fest was successful. Next meeting is Tuesday, Dec. 16.

Chair Friedman - Tri-Region Economic Development Stakeholders

He said the SEDC met Dec. 2nd, which was its kickoff meeting for its new Tri-Region branding and new name. He said representatives from Southern Maine, Rockingham County and Strafford regional planning organizations were there. The rebranding hopes to serve the region better.

Administrator Selig

He said he has been very busy with the budget process and collective bargaining, which has included some hard conversations and is making headway but it's slow and continuing.

He said he is trying to lock down EV charging station information to place orders by the end of the year for an additional station in the Pettee Brook lot and one at the Depot Road lot. He said he is collaborating with UNH to locate one or two on UNH property where the town will purchase the unit and UNH will cover the cost of the installations. Councilor Friedrichs suggested reaching out to parties that might be interested in installing a fast charger in Durham and the party would own it. Administrator Selig said he has reached out to Eversource to suggest a partnership like that and hasn't heard back.

1 2		The location is to be determined. Councilors discussed locating them in locations walkable to downtown to encourage visitors.
3		walkable to downtown to encourage visitors.
4		He said the town has purchased infrared devices so residents can do an energy audit at
5		their home and they will be available for loan at the library.
6		
7		He said the business office is starting to work with departments on closing down their
8		books for the end of the fiscal year, and Administrative Assistant Karen Edwards is
9		collecting the department reports for the Annual Town Report, for which he said the town
10		has found a great cover photo.
11		
12	VII.	New Business
13	*****	
14	VIII.	Nonpublic Session (if required)
15	137	
16	IX.	Adjourn (NLT 10:30 PM)
17		Compiler Ford MOVED 4: with any 4b and 4b an
18		Councilor Ford MOVED to adjourn the meeting. Councilor Welsh SECONDED
19		the motion. The motion PASSED on a unanimous show of hands vote/
20		
21		The meeting was adjourned at 9:08 p.m.
22	<i>T</i>	Ml. Min to T. I
23	- Jane	Murphy, Minutes Taker