

TOWN OF DERRY

Town Council
Derry Municipal Center

April 28, 2020
Tuesday - 7:00 PM

7:00 PM Call to order

"It is possible, in light of COVID-19 pandemic situation and the state of emergency declaration in NH, that most or all board members will be unable to attend our Derry public meetings in person because they are concerned about getting sick or perhaps are already sick. Governor Sununu has issued Emergency Order #16, which waives the requirement that quorum be physically present in the meeting room; a meeting of a public body may be conducted with most or all members participating electronically. To maintain the Governor's Directive that no more than 10 people shall gather, the public is not allowed into the meeting room. There is a contact number at the bottom of the Derry TV Cam screen with a phone number where members of the public can listen in and participate in the Public Forum and Public Hearing portions of the meeting. This access number was also posted along with the agenda and posted on the exterior doors of the Municipal Center. Please note that due to the physical absence of some Councilors, all votes taken shall be done by Roll Call."

Pledge of Allegiance, warning of fire exits, handicap access, & turn off all cell phones, test phone call to make sure zoom is working properly

Roll Call: Councilor Tripp and Chairman Foote in-person and Councilor's Katsakiores, Bourdon, Chirichiello, and Morgan by Video. Absent: Councilor Wetherbee
Present: TA David Caron, Town Clerk Daniel Healey

Chairman's Report – Charlie Foote

There was a discussion on the appointments to boards and committees and interviews of the candidates may be required in the future. Residents that apply do not always know what they are getting into. The Town Council Chair and the Chair of the board or committee should talk with the candidate prior to their appointment. This topic will be added to a July council agenda for further discussion.

Public Forum - *30 Minutes*

Motion by Councilor Tripp to open public forum, seconded by Councilor Katsakiores

Roll Call Vote: 6-0-0

Mark Connors: Cabot Dr – Wanted to let the council know that their microphones were live a few minutes before the meeting. Will be available on the meeting to discuss the rail trail later on if there are any questions.

Mike Gendron: Old Auburn Rd – Representing the Greater Derry Arts Council and stated that they have lost 33 performances so far. Does not know what the status of Derryfest will be. Would like a furlough on the Arts Councils rent from the town and will be in contact with Town Administrator Caron.

Motion by Councilor Tripp to close public forum, seconded by Councilor Katsakiores

Roll Call Vote: 6-0-0

New Business

- 20-47** Resolution #2020-026 – Revise the Derry Revolving Loan Agreement to provide COVID-19 Emergency Funding – *Derry Revolving Loan Chair Laurel Adams, Economic Development Director Beverly Donovan, and Town Administrator Dave Caron speaking*

The Town Council has partnered with the Regional Economic Development Center (REDC) for the past decade to grant and manage loans to Derry businesses. The loans granted through this program originate with a review by REDC and then are acted upon by REDC's 11-member Bank Credit Committee, the Committee's recommendations are then formally approved by the REDC Board of Directors. The program currently has loans outstanding to six Derry businesses totaling \$260k, with interest rates ranging from 6.00 - 8.50%. REDC retains 1/2 of the interest earnings to pay administrative and overhead costs, the balance accrues back to the fund. Current funds available for future loans is \$156k. The Town Council has been very proactive with supporting the Derry business community, that support has accelerated as the economic ramifications of COVID-19 are becoming clearer. The Town's Economic Development Director has been working with REDC to structure a program which could provide emergency relief to the Derry Business community.

Councilor Tripp MOVES THAT THE TOWN COUNCIL adopt Resolution #2020-026, which reads as follows [Read the Resolution], seconded by Councilor Bourdon

Resolution attached

Roll Call Vote: 5-1-0 (Councilor Chirichiello)

Public Hearings

- 20-32** Resolution #2020-013 – Adopt the FY 21 Budget – *Town Administrator Dave Caron presenting*

The main points of the FY 21 budget include the following:

- Fully funds fifth and final year of Collective Bargaining Agreements as approved by the Town Council in FY17;
- Does not propose any additional provisions;
- Expands Ash Street TIF District to Gateway TIF District to support Council economic development goals;
- Maintains CIP funding transition from Fund Balance to a blend of Fund Balance/budget support;
- Limits tax rate to \$7.86, \$0.01 below level authorized by the taxpayer-approved Tax Cap (Section 9.4 – Charter), despite an overall flat revenue stream as the economy moderates;
- Funds second year of the Derry Commerce Corridor Tax Increment Financing District and continues to position Town to engage in public/private partnerships;
- Sets forth strategies for COVID-19 mitigation, response, and recovery;
- Restructure water and wastewater rates including an option to phase adjustments;

Motion by Councilor Bourdon to open public hearing, seconded by Councilor Katsakiores

Until such time as the Exit 4A design is finalized, it is recommended that the Council enact Resolution #2020-016 which would establish a Redevelopment and Infrastructure Activities Fund where TIF Revenues can be parked until such time as improvements commence. As part of this process, the Town needs to notify the School District and Rockingham County to provide an opportunity to review and comment.

Motion by Councilor Tripp to open public hearing, seconded by Councilor Morgan
Roll Call Vote: 6-0-0

No one from the public spoke.

Motion by Councilor Tripp to close public hearing, seconded by Councilor Chirichiello
Roll Call Vote: 6-0-0

20-35 Resolution #2020-016 – Create an Expendable Trust for Gateway TIF District Redevelopment and Infrastructure Activities – *Town Administrator Dave Caron presenting*

Section 5.1 of the Town Charter establishes the Town Council as the governing and legislative body of the Town; and the Town requires a funding mechanism to support the expansion and revitalization of the Exit 4A Corridor; and investments for this purpose will enhance and promote the general welfare, health and safety of the community, as well support growth of the Town's business and industry sectors

Motion by Councilor Tripp to open public hearing, seconded by Councilor Chirichiello
Roll Call Vote: 6-0-0

No one from the public spoke.

Motion by Councilor Morgan to close public hearing, seconded by Councilor Tripp
Roll Call Vote: 6-0-0

20-36 Resolution #2020-018 – Adopt a revised user rate schedule for Derry Water Customers – Deputy Public Works Director Tom Carrier and *Town Administrator Dave Caron presenting*

Derry's municipal water service fees have not been increased in 10 years. Increases in labor and materials costs are exceeding what the Town now charges for meters, meter horns and service calls. DPW has reviewed vendor pricing and current wage rates and adjusted our meter, meter horn, hydrant, and customer service fees accordingly. Derry's Merrimack River Source Development Charge (MSDC) is proposed to be increased to the same charge that Manchester Water Works (MWW) charges its new customers, including new capacity for Derry. The MSDC was paid by Derry to MWW for water capacity to be produced by MWW from the Merrimack River. MWW began charging Derry this fee in 1998 at a fixed rate of \$1.14 per gallon per day. In 2005 MWW began escalating the rate annually. Their current rate is \$3.79 per GPD. Over the past years Derry has purchased 800,000 GPD for a total capacity of 2.9 MGD. Derry is presently charging its new customers \$2.36 per GPD. Derry's water usage rates were last increased in 2017. The revenues from that 1.8% increase was specifically to offset a series of rate increases from MWW from 2013 to 2016. Since Derry's last increase our purchased water rate from MWW has increased an additional 7.5% with another 2-3% projected for FY2021. This

equates to over \$85,000 in additional annual expense. Further, Derry is subject to participate in certain capital improvements to MWW's system that benefit Derry. Our FY21 budget includes the first of 20 annual payments of \$69,900 toward MWW's upgrade of MWW's Cohas water booster pumping station. Finally, Derry has not increased its water main replacement budget since 2017. Material and labor costs have significantly increased over the last 3 years. Infrastructure continues to age. Pumping station equipment is nearing, and in some cases, exceeding its useful lives. Additional funding is needed to maintain the system at current standards.

Motion by Councilor Chirichiello to open public hearing on 20-36 & 20-37, seconded by Councilor Tripp

Roll Call Vote: 6-0-0

No one from the public spoke.

Motion by Councilor Tripp to close public hearing on 20-36 & 20-37, seconded by Councilor Bourdon

Roll Call Vote: 6-0-0

20-37 Resolution #2020-019 – Adopt a revised user rate schedule for Derry
Wastewater Customers – Deputy Public Works Director Tom Carrier and *Town Administrator Dave Caron presenting*

Derry's municipal water and sewer service fees have not been increased in 10 years. Increases in labor and materials costs are exceeding what the Town, in some cases, now charge for its services. Derry's sewer usage rates were last increased in 2017. The purpose of that \$0.25 per 100 cubic feet increase was to fund the public sewer extension to Brady Ave. The impact of that increase was \$4.38 on the average residential quarterly sewer bill or \$1.46/month. The existing fee schedule is revised to align with the proposed water fee increases for meters and meter-related services to account for the actual cost of materials and labor and apply to those customers with only public sewer. The service fees have been calculated based on the average wage rate of water and sewer system operators plus payroll taxes. Meters, meter horn and hydrant fees are calculated using the Town's vendor cost plus an administrative cost of 10%. DPW is recommending increasing billed usage revenues by approximately 16% or \$343,000 to fund capital improvements to repair and replace sewer mains. These repairs are needed to prevent pipeline breaks and blockages and to reduce the amount of groundwater infiltration into Derry's wastewater treatment plant. We propose to revise the rate structure whereby the base minimum charges no longer include 500 cubic feet of usage. Each customer would be charged at the usage rate for all water consumed. To partially offset this increase in a customer's billable usage, the usage retail rate is proposed to be reduced. Increasing usage rates is also necessary to implement the Wastewater Capital Improvement Plan. The Town has identified 3 areas of town in need to public sewers. They include Sunset Acres, Maple Hills, and Barkland Acres. The WW CIP proposes to extend interceptors on Windham and Tsienneto Roads to coincide with planned highway projects in these areas.

Motion by Councilor Bourdon to extend the meeting 10 minutes, seconded by Councilor Tripp

Roll Call Vote: 6-0-0

Motion by Councilor Tripp to extend the meeting 10 minutes, seconded by Councilor Morgan

Roll Call Vote: 6-0-0

Councilor Comments / Liaison Reports –

Councilor Morgan – The maps displayed on the screen are hard to read for the viewers at home.

Motion to adjourn by Councilor Chirichiello, seconded by Councilor Bourdon

Roll Call Vote: 6-0-0

Adjournment: 10:15 p.m.



Town Clerk

Recording & Transcription by: Daniel Healey, Town Clerk

5-21-2020

Date



RESOLUTION

Number 2020-026

To Revise the Derry Revolving Loan Agreement to Provide COVID-19
Emergency Funding

WHEREAS, Section 5.1 of the Town Charter vests in the Town Council the powers of the legislative and governing bodies; and

WHEREAS, the Town Council previously created the Derry Revolving Loan Fund to assist new and existing Derry businesses; and

WHEREAS, the program has successfully loaned funds to new and existing Derry businesses for over ten years under the management of the Regional Economic Development Center (REDC); and

WHEREAS, the COVID-19 Pandemic has resulted in significant impacts to the Derry business community; and

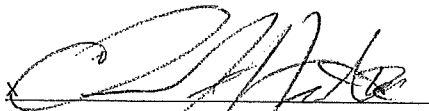
WHEREAS, the Town Council can proactively assist Derry businesses by amending its loan provisions and program goals;

NOW, THEREFORE, BE IT RESOLVED IN COUNCIL that the Town Council hereby amends the Derry Revolving Loan Fund regulations by authorizing the Town Administrator to investigate a reduction in the interest rate on existing loans and further authorizing the issuance of emergency loans to assist businesses during the Pandemic.

This Resolution shall take effect immediately upon its passage.

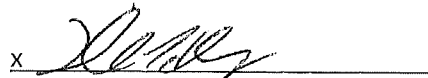
Adopted: April 28, 2020

Attest:



Charles Foote, Council Chair

Date: 4/28/20

x 

Daniel Healey, Town Clerk

Date: 4/28/2020

Archival Ref: Agenda Item #20-47