TOWN OF DERRY

Town Council
Derry Municipal Center

May 5, 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

Roll Call: Councilor Tripp and Chairman Foote in-person and Councilor's Katsakiores, Bourdon, Chirichiello, Wetherbee, and Morgan by Video.

Present: TA David Caron, Town Clerk Daniel Healey

Public Forum - *30 Minutes*
Motion by Councilor Katsakiores to open public forum, seconded by Councilor Wetherbee
Roll Call Vote: 7-0-0

No one from the public spoke.

Motion by Councilor Tripp to close public forum, seconded by Councilor Katsakiores Roll Call Vote: 7-0-0

Consent Agenda

20-48 Approve Minutes – April 21, 2020

20-49 Approve Veterans' Credits/Elderly Exemptions/Blind Exemptions

20-50 Resolution #2020-024 – Approve a renewal of the Cable Franchise Agreement with Comcast

20-51 Resolution #2020-027 – Amend the Boundaries of the Derry Commerce Corridor TIF District

Motion by Councilor Tripp to approve the consent agenda, seconded by Councilor Wetherbee

Roll Call Vote: 7-0-0

Consent agenda approved

Chairman's Report - Charlie Foote

Chairman Foote moves to appoint Jim MacEachern as a member of the Planning Board for a 3 year term to expire March 31, 2023, seconded by Councilor Tripp Roll Call Vote: 7-0-0

Chairman Foote moves to appoint Allan Virr as a member of the Zoning Board of Adjustment for a 3 year term to expire March 31, 2023, seconded by Councilor Wetherbee Roll Call Vote: 7-0-0

Councilor Chirichiello brought to the councils attention a plan for the Derry Housing and Redevelopment Committee to sell a piece of land to the State. The State intends to use this land for transitional housing for recently released inmates. The Council agreed that a letter should be drafted to the state executive board stating that they do not want this at this location in Derry.

Town Administrator's Report - David Caron

Emergency Management Director and Fire Chief Mike Gagnon gave a report on the Town's response to COVID-19.

The Town of Derry should receive 785k from the state in funding to help costs related to COVID-19. The HVAC project at the library is about 85% complete and work will begin upgrading the Derry Municipal Center HVAC on the roof on May 11th. The trees downtown will be replaced soon. The East Broadway paving project will be starting back up. The culvert on North Shore Road by Island Pond should be completed by the end of September. The Town has an RFP out for the Fire Station project. The Route 28 South water project is expected to be completed by July 1st. The Town will have an RFP out for the rail trail by late August – October. The Exit 4A project is still continuing. Gallien's Beach may open in mid-June limited to 50 people at a time. The MacGregor Park concerts starting in mid-June may be cancelled. The July 4th fireworks may be postponed or cancelled. No decision has been made on the splash pad, but it typically opens in mid-June. All recreation programs have been suspended. The playgrounds and dog park remain closed. There will be no Memorial Day parade this year but private ceremonies will take place.

Public Hearing

20-43 Resolution #2020-022 – Supplemental Appropriation to fund Parks & Field Improvements – *Public Works Director Mike Fowler presenting*

The Town Council commissioned a community wide Recreation study completed in March 2020. The COVID-19 outbreak has prevented the Town Council and public from holding a workshop to discuss priorities and determine the best use of the \$1.8 million recreation bond. One aspect of the community survey was solicitation of feedback from the leagues on the quality of the fields and facilities in Derry. There was a common theme centered around a need to improve the playing surfaces but also an acknowledgement that the fields rarely receive an opportunity to rest due to tight field inventory coupled with league needs. Several spring leagues have been forced to postpone the start of their seasons as a result of the Governor's stay at home order. Parks & Recreation staff seeks to advance several projects ASAP in order to

capitalize on the dormant period attributable to the league shutdowns. To accomplish these projects, a supplemental appropriation will be required to the Parks FY 20 budget to complete the field enhancement projects. The source of funds will be from a fund created in FY 2005 for Parks facilities.

Motion by Councilor Tripp to open public hearing, seconded by Councilor Wetherbee Roll Call Vote: 7-0-0

No one from the public spoke.

Motion by Councilor Tripp to close public hearing, seconded by Councilor Wetherbee Roll Call Vote: 7-0-0

Councilor Tripp MOVES THAT THE TOWN COUNCIL adopt Resolution #2020-022, which reads as follows [*Read the Resolution*], seconded by Councilor Morgan Roll Call Vote: 7-0-0 Resolution attached

20-44 Resolution #2020-023 – Acceptance of COVID-19 Funding – *Town Administrator Dave Caron presenting*

Section 9.15 of the Town Charter authorizes the Town Council to apply for, accept and expend funds received from the State, Federal or other Governments, or from private sources. Typically, the Council authorizes the Administrator to perform these duties on a case by case basis. Given the anticipated breadth of resources which may become available responding to the COVID-19 Pandemic, it is recommended that the Council provide blanket authorization to the Administrator to apply for and accept any COVID-19 related reimbursements or other revenues. The Town was recently notified that it will receive \$33,814 from the Federal Government to assist with any losses or service disruptions as a Medicare Service provider through its Emergency Medical Services. The Police Department is in the process of securing a grant from the NH Department of Justice in the amount of \$48,708 to acquire filtering devices to supplement COVID-19 personal protective equipment (PPE) and voice amplifiers to assist with communications when using PPE. The source and total amount of assistance to support town operations and respond to COVID-19 is currently unknown; we do know that there are a multitude of federal programs which may assist communities directly, and state government is beginning discussions on how to disburse its S1.25B grant from the federal government. Typically, the Council acts to apply, accept and expend funds from other sources, whether it be government or private. Additionally, the Council schedules a public hearing for grants over \$10,000 as required by state statute. The Council would place any funds in the COVID-19 Expendable Trust which requires Council approval to expend from that fund. This process allows the Town to harvest revenues in a more efficient manner while retaining the Council's appropriation authority. This action is authorized pursuant to the Legislature granting municipalities special powers during an emergency, pursuant to RSA 21-P:43.

Motion by Councilor Tripp to open public hearing, seconded by Councilor Morgan Roll Call Vote: 7-0-0

No one from the public spoke.

Motion by Councilor Tripp to close public hearing, seconded by Councilor Wetherbee Roll Call Vote: 7-0-0

Councilor Tripp MOVES THAT THE TOWN COUNCIL adopt Resolution #2020-023, which reads as follows [Read the Resolution], seconded by Councilor Katsakiores Roll Call Vote: 7-0-0 Resolution attached

20-45 Resolution #2020-025 - Accept Grant Funding from the NH Drinking Water and Groundwater Trust Fund - Public Works Director Mike Fowler presenting On May 7, 2019, the Derry Town Council approved the Southern NH Regional Water Project Intermunicipal Agreement (SIA) to provide additional drinking water to the southern tier communities of Salem, Windham, Atkinson, Hampstead, and Plaistow. The SIA required an extension of the Derry water system along Rte. 28 to the Windham town line as well as other Derry water system improvements needed to flow up to 3.13 million gallons per day (MGD) of drinking water into Windham. The SIA clearly states that all infrastructure improvements required in Derry to implement the SIA will be funded by the NH DES Drinking Water and Groundwater Trust Fund (DWGTF) at no cost to Derry taxpayers or rate payers. The Town Council authorized the Town Administrator (Resolution 2019-020) to apply for, accept and receive up to \$6.29 Million from the DWGTF for the Project. This Grant was approved by the Governor and Council and the Derry water projects were bid, awarded and construction begun. When bids were originally received it was anticipated that additional funding above the 56.29 Million may be needed due to expedited construction schedules and materials cost increases. The Town and NH DES staff requested and received approval from the NH DES DWGTF Advisory Commission for an additional \$411,858 for the Derry Projects as a contingency. At this point of the project, additional work is now anticipated to complete the Derry water system improvements including pipeline laterals across Route 28 and related NH DOT pavement overlay requirements. Additional funding is needed. Therefore, we are seeking Derry Town Council approval to send our Grant amendment request for \$411,858 to the Governor and Executive Council for final approval.

Motion by Councilor Tripp to open public hearing, seconded by Councilor Wetherbee Roll Call Vote: 7-0-0

No one from the public spoke.

Motion by Councilor Tripp to close public hearing, seconded by Councilor Morgan Roll Call Vote: 7-0-0

Councilor Tripp MOVES THAT THE TOWN COUNCIL adopt Resolution #2020-025, which reads as follows [*Read the Resolution*], seconded by Councilor Bourdon Roll Call Vote: 7-0-0

Resolution attached

New Business

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;

Councilor Tripp MOVES THAT THE TOWN COUNCIL adopt Resolution #2020-013, which reads as follows [*Read the Resolution*], seconded by Councilor Wetherbee Roll Call Vote: 7-0-0 Resolution attached

20-33 Resolution #2020-014 – Adopt the FY 21-26 Capital Improvement Plan – *Town Administrator Dave Caron presenting*

Section 9.8 of the Town Charter vests in the Town Council the responsibility to adopt the Capital Improvements Plan by May 31, and the Planning Board has reviewed the Plan and proposed no revisions, and pursuant to RSA 674:5 the Plan is a budget tool to assist the Town Council in their consideration of the annual budget; and the Town Council has reviewed the proposed plan and made any amendments to the Plan as proposed by the Town Administrator.

Councilor Tripp MOVES THAT THE TOWN COUNCIL adopt Resolution #2020-014, which reads as follows [Read the Resolution], seconded by Councilor Katsakiores Roll Call Vote: 7-0-0 Resolution attached

20-36 Resolution #2020-018 – Adopt a revised user rate schedule for Derry Water Customers – Deputy Public Works Director Tom Carrier and Public Works Director Mike Fowler 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

Councilor Tripp MOVES THAT THE TOWN COUNCIL adopt Resolution #2020-018, which reads as follows [*Read the Resolution*], seconded by Councilor Wetherbee Roll Call Vote: 7-0-0 Resolution attached

20-37 Resolution #2020-019 – Adopt a revised user rate schedule for Derry
Wastewater Customers – Deputy Public Works Director Tom Carrier and Public
Works Director Mike Fowler 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 meterrelated 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 vender 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.

Councilor Tripp MOVES THAT THE TOWN COUNCIL adopt Resolution #2020-019, which reads as follows [*Read the Resolution*], seconded by Councilor Katsakiores Roll Call Vote: 7-0-0

Resolution attached

Councilor Comments / Liaison Reports -

Councilor Chirichiello – The Town should start planning for elections in September and November now due to COVID-19.

Councilor Morgan – Walgreens is closing in Derry and a restaurant that has been open for many years in another town is not reopening. He is concerned about Derry businesses.

Councilor Tripp – The Town Legislative Committee met last week, and the video is on the Town of Derry website.

Councilor Wetherbee – Dave and staff did a great job on the budget.

Chairman Foote – Thanked Dave, Mark, and staff for their work on the budget. Thanked the councilors for their review.

Motion to adjourn by Councilor Tripp, seconded by Councilor Katsakiores Roll Call Vote: 7-0-0

Adjournment: 9:40 p.m.

Town Clerk

Recording & Transcription by: Daniel Healey, Town Clerk

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Date



Number 2020-022

To Approve a Supplemental Appropriation to Fund Parks and Field Improvements

WHEREAS, the Town Charter establishes the Town Council as the appropriating authority of the Town and as such it is empowered by Section 9.6 of the Charter to make supplemental appropriations after the annual budget is adopted; and

WHEREAS, a goal of the Town Council is to improve Town recreation facilities; and

WHEREAS, decreased usage resulting from the pandemic has created an opportunity to address deficiencies and make improvements in several locations; and

WHEREAS, town personnel are available to complete this work, and funds are available in the Park Improvement Fund for materials and certain contracted tasks;

NOW, THEREFORE, BE IT RESOLVED IN COUNCIL that the sum of Thirty-Eight Thousand Dollars (\$38,000) is hereby raised to complete repairs and address deficiencies at parks and fields throughout the community, and to authorize a withdrawal from the Park Improvement Fund to finance these improvements.

This Resolution has been adopted by a two-thirds majority of the entire Council as required by Charter and shall take effect immediately upon its passage.

Adopted: May 5, 2020

Attest:

Charles Foote Council Chair

Date: $\frac{1}{2}/\frac{5}{2}$

Archival Ref:

TC agenda Item #20-43

8



Number 2020-023

To Apply for and Accept Grant and other Funding from Various Sources for COVID-19 Mitigation, Response and Recovery

WHEREAS, the Section 9.15 of the Town Charter authorizes the Town Council to apply for, accept and expend funds received from the State, Federal or other Governments, or from private sources; and

WHEREAS, the Town is scheduled to receive \$33,814 from the Federal Government as a Medicare service provider through its Emergency Medical Services; and

WHEREAS, the Town is applying for \$48,708 from the NH Dept. of Justice for additional personal protective and communications equipment for its Police Department; and

WHEREAS, the Town anticipates receiving additional funds from several different sources related to the COVID-19 pandemic and would benefit from a streamlined acceptance process; and

WHEREAS, any funds received would be placed in the COVID-19 Mitigation, Response and Recovery Expendable Trust, for which the Town Council is designated as Agents to Expend;

NOW, THEREFORE, BE IT RESOLVED IN COUNCIL that the Town Administrator is hereby authorized:

- 1) To accept \$33,814 in Federal Stimulus Funds as a Medicare provider;
- 2) To apply, accept and expend \$48,708 from the NH Dept. of Justice for additional PPE and communication devices for the Police Department;
- 3) Without further Council action, to apply for and accept any funds in accordance with RSA 21-P:43 for COVID-19 Mitigation, Response and Recovery;
- 4) To sign all necessary applications and agreements to implement the provisions of this Resolution; and
- 5) Place all revenues in the Expendable Trust as established by the Town Council pursuant to Resolution #2020-012.

Archival Ref:

This Resolution shall take effect immediately upon its passage.

Adopted: May 5, 2020

Attest:

Charles Foote, Council Chair

Date: 5/5/20

Daniel Healey, Jown Clerk

Date: 5/5/2020

Archival Ref: TC agenda item #20-44



Number 2020-025

To Accept Grant Funding from the Drinking Water and Groundwater
Trust Fund

WHEREAS, the Section 9.15 of the Town Charter authorizes the Town Council to apply for, accept and expend funds received from the Federal and State Governments; and

WHEREAS, pursuant to Resolution #2019-018 the Town Council approved an Intermunicipal Agreement to participate in the Southern New Hampshire Regional Interconnection Project; and

WHEREAS, pursuant to Resolution #2019-020 the Town Council accepted \$6.29M from the Drinking Water and Groundwater Trust Fund to reimburse the Town for all expenses incurred constructing improvements to the Town's water system to facilitate the Southern New Hampshire Regional Interconnection Project; and

WHEREAS, additional construction costs are anticipated which are necessary to complete the project; and

WHEREAS, the Town will be receiving a grant from the State of New Hampshire to reimburse the Town for all associated costs;

NOW, THEREFORE, BE IT RESOLVED IN COUNCIL that the Town Administrator is hereby authorized to apply, accept and receive, pursuant to RSA 31:95-b, up to \$411,858 dollars from the Drinking Water and Groundwater Trust Fund to reimburse the Town for all expenses incurred constructing improvements to the Town's water system to facilitate the Southern New Hampshire Regional Interconnection Project.

This Resolution shall take effect immediately upon its passage.

Adopted: May 5, 2020

Attest:

Charles Foote, Council Chair

Date: S

Daniel Healey, Town Clerk

Date: 5/5/2020

Archival Ref:



Number 2020-013

To Adopt the FY21 Budget

WHEREAS, Section 9.4 of the Town Charter vests in the Town Council the responsibility to enact the Town budget by May 31; and

WHEREAS, the Town Council has reviewed and made revisions to the budget as proposed by the Town Administrator, and has acted upon Resolutions necessary to effectuate various services and programs within the budget;

NOW, THEREFORE, BE IT RESOLVED IN COUNCIL that the Town Council hereby adopts an FY 21 Town Budget in the amount of Fifty-One Million Six Hundred Forty-Eight Thousand Five Hundred and Eighty-Seven Dollars (\$51,648,587) as set forth in the attached summary.

This Resolution shall take effect on July 1, 2020.

Adopted: May 5, 2020

Attest:

Charles Foote, Council Chair

Date: $\leq / \leq / 2$

Daniel Healey, Town Clerk

Date: 5/5/2020

Archival Ref:

Agenda Item #20-32



Number 2020-014

To Adopt the FY 21-26 Capital Improvements Plan

WHEREAS, Section 9.8 of the Town Charter vests in the Town Council the responsibility to adopt the Capital Improvements Plan by May 31; and

WHEREAS, the Planning Board has reviewed the Plan and proposed no revisions; and

WHEREAS, pursuant to RSA 674:5 the Plan is a budget tool to assist the Town Council in their consideration of the annual budget; and

WHEREAS, the Town Council has reviewed the proposed plan and made any amendments to the Plan as proposed by the Town Administrator; and

WHEREAS, the Town Administrator has recommended a revised implementation process to account for potential revenue losses resulting from the Pandemic;

NOW, THEREFORE, BE IT RESOLVED IN COUNCIL that the Town Council hereby adopts the FY 21-26 Capital Improvements Plan with the understanding that the Town Administrator shall implement the plan to the degree that anticipated revenues become available.

This Resolution shall take effect on July 1, 2020.

Adopted: May 5, 2020

Attest:

Charles Foote, Council Chair

Date: 5/5/20

Daniel Healey, Town Clerk

Date: 5/5/2020

Archival Ref:

Agenda Item #20-33



Number 2020-018

To Approve Revised User Rate Schedules for Derry Water Customers

WHEREAS, RSA 38:17 authorizes the Town Council to enter into a supply contract with another municipality for the purposes of purchasing water for customers of the Derry Water Department; and

WHEREAS, the Town has entered into a wholesale water supply contract with Manchester Water Works to provide water for its customers; and

WHEREAS, the Town Council, on occasion and in accordance with RSA 38:28 shall review water user rates to remain in compliance with the Town's contract with Manchester Water Works, to fund necessary capital improvements and to ensure the equitable distribution of expenses across all water user classifications;

NOW, THEREFORE, BE IT RESOLVED IN COUNCIL that it is necessary to adjust water user rates as set forth on the attached schedule over a three-year period beginning in FY 21.

This Resolution shall take effect on all water usage billed on or after July 1, 2020.

Adopted: May 5, 2020

Attest:

Charles Foote, Council Chair

Date: 5/5/20

Daniel Healey, Town Clerl

Date: <u>5/5/2020</u>

Archival Ref:



Number 2020-019

To Approve Revised User Rate Schedules for Derry Wastewater Customers

WHEREAS, RSA 149-I:1 authorizes the Town Council to construct and maintain public sewer facilities for the public convenience, health or welfare; and

WHEREAS, the Town has enacted a structure of sewer fees to ensure that the system is properly funded; and

WHEREAS, the Town Council, on occasion and in accordance with RSA 149-I:8 shall review wastewater sewer rents to ensure that adequate revenues are received to fund all operating expenses and necessary capital improvements and to ensure the equitable distribution of expenses across all wastewater user classifications;

NOW, THEREFORE, BE IT RESOLVED IN COUNCIL that it is necessary to adjust wastewater user rates as set forth on the attached schedule over a three-year period beginning in FY 21.

This Resolution shall take effect on all water usage billed on or after July 1, 2020.

Adopted: May 5, 2020

Attest:

Charles Footé, Council Chair

Date:

Daniel Healey, Jown Clerk

Date: 5/5/2020

Archival Ref: