

AGENDA ITEM #: 16-110
COUNCIL MTG OF: September 6, 2016
FROM: Stephen Daly, Acting Town Administrator
OFFERED BY: M. Fowler, Public Works Director
PREPARED BY: M. Fowler, Public Works Director
SUBJECT: Supplemental Funding – Hood Pond Dam Engineering Work

PURPOSE

Obtain Town Council approval of a \$50,000 supplement to the Public Works FY2017 operating budget to initiate engineering analysis required to address NHDES concerns at the Hood Pond dam.

TOWN ADMINISTRATOR COMMENTS

This cost was not anticipated in preparing the FY2017 operating budget. As a result, three sources of funding can available to cover this cost.

1. A transfer from the Unassigned Fund Balance, which requires a 2/3 vote of the Council
2. A transfer from the Building and Grounds Reserve Fund, which also requires a 2/3 vote of the Council
3. A transfer from another department where FY2017 funds are or will be available

Option #1 is undesirable, since it further relies upon the UFB, which has been tapped twice since May, to cover unanticipated cost. Option #2 is also undesirable because the subject reserve fund has a balance of less than \$100,000. Option #3 can be accommodated due to a lack of expenditure in other departments as a result of vacant positions since July 1 that were budgeted for 12 months. Because the work needs to done, I am in agreement with the need to supplement the DPW budget at this point in time.

BACKGROUND

NHDES – Dam Bureau regulates the earthen embankment and spillway which impounds Hood Pond. Based on a change in the hazard classification for Hood Pond Dam, NHDES required the Town of Derry to prepare a flood inundation model to simulate the effect of a storm 2.5 times that of a 100 year storm, where previously the standard was simply a 100 year storm analysis. An RFP was solicited for services in summer 2015 and Weston & Sampson was selected as the lowest responsible bid from a field of 12 consulting engineering firms.

The preliminary hydraulic modeling has led to the conclusion that the dam requires several upgrades to conform to the high hazard classification, despite historical information that the dam has been operating satisfactorily since at least 1905. A meeting was held in March 2016 with NHDES personnel to confirm that they were seeking to have the Town undertake the process to perform additional hydraulic modeling and reconstruct the emergency spillway location. A Letter of Deficiency (LOD) was issued by NHDES in July that compels the Town to address the deficiencies cited.

DISCUSSION

Weston & Sampson furnished an engineering proposal at the Town's request to prepare a final dam modification report at a cost of \$48,900. There will be additional costs later related to design of the dam, permitting and construction of the modified dam sections. There is some overlap in services that would have been done for the design of the future bike path and construction of the new bike path. The intent would be to incorporate the dam modification and bike path construction into the same bid.

FISCAL IMPACT

Because the cost to initiate design work required by NHDES was not able to be anticipated, and therefore not budgeted, by DPW for FY2017, that budget will require additional funding in that amount. In addition, as mentioned previously, there will be a future cost for the actual design work and then construction. Estimates of those costs will be made at each stage of progress.

RECOMMENDED ACTION BY COUNCIL

Staff recommends that the Town Council supplement the DPW FY 2017 operating budget to initiate engineering work immediately.

RECOMMENDED MOTION

I MOVE THAT THE TOWN COUNCIL adopt Resolution number 2016-023 as follows: *[Read the Resolution]*

Vote required: Simple majority of the Councilors present.

Attachment(s): NHDES letter citing dam deficiencies

Weston and Sampson proposal to prepare the required dam modification report



RESOLUTION

Number 2016-023

To Approve the Transfer of FY2017 Operating Funds from the Police Department Budget to the Public Works Department Budget

WHEREAS, Section 9.7 of the Town Charter prohibits the expenditure of funds, or the commitment to expend funds, absent an appropriation or a transfer of funds for the subject purpose; and

WHEREAS, Section 9.7 authorizes the Town Administrator to transfer any unencumbered appropriation balance, or any portion thereof, from one department to another upon approval by a majority of the Council; and

WHEREAS, the Town has been ordered by the New Hampshire Department of Environmental Services to cause the Hood Dam to be brought into compliance with current regulations regarding flood protection for downstream properties; and

WHEREAS, no funds were provided in the Fiscal Year 2017 Town Budget for this purpose, and funds that will not be expended by another department during the current fiscal year are available for this purpose;

NOW, THEREFORE, BE IT RESOLVED IN COUNCIL that the transfer of Fifty Thousand Dollars (\$50,000) by Town Administrator from the Police Department budget to the Public Works budget is hereby approved.

This Resolution shall take effect immediately upon its passage.

Adopted: August 16, 2016.

Attest:

X _____

Brian Chirichiello, Council Chair

Date: _____

X _____

Daniel Healey, Town Clerk

Date: _____