



TOWN OF DURHAM  
15 NEWMARKET ROAD  
DURHAM, NH 03824-2898  
Tel: 603/868-5571  
Fax: 603/868-5572

## **AGENDA**

DURHAM TOWN COUNCIL  
MONDAY, MAY 3, 2010  
DURHAM TOWN HALL - COUNCIL CHAMBERS  
7:00 PM

**NOTE:** THE TOWN OF DURHAM NEEDS 48 HOURS NOTICE IF YOU  
REQUIRE SPECIAL COMMUNICATION AIDS

- I. Call to Order
- II. Approval of Agenda
- III. Special Announcements
- IV. Approval of Minutes  
April 5, 2010 (regular and Nonpublic Session)
- V. Councilor and Town Administrator Roundtable
- VI. Public Comments (*NLT 7:30 PM*)
- VII. **Unanimous Consent Agenda** (*Requires unanimous approval. Individual items may be removed by any councilor for separate discussion and vote*)
  - A. RESOLUTION #2010-14 authorizing the Town of Durham to open a two million dollar (\$2,000,000) TAN line of credit through Citizens Bank
  - B. Shall the Town Council approve closing a portion of Route 108/Newmarket Road and Route 108/Main Street to conduct the annual Memorial Day Parade to be held on Monday, May 31, 2010?
  - C. Shall the Town Council approve the water and sewer warrant for spring 2010 totaling \$478,013.96 and authorize the Town Administrator to sign said warrant?
  - D. Shall the Town Council, upon recommendation of the Town Administrator, award the engineering contract for the Morgan Way/Route 4 intersection improvements project to CMA Engineers of Portsmouth, NH in the amount of \$69,407 and authorize the Town Administrator to sign a contract for this project?
  - E. Shall the Town Council, upon recommendation of the Town Administrator, authorize the purchase of a new compact Telehandler with attachments in the amount of \$56,315.91 from Sunbelt Rentals, Portsmouth, NH, for the Wastewater Treatment Facility?

**VIII. Committee Appointments**

None

**IX. Presentation Items**

None

**X. Unfinished Business**

- A. Continued discussion regarding the development of Town Council goals for 2009/2010
- B. Discussion regarding the rental of parking spaces within the Town of Durham

**XI. New Business**

- A. **PUBLIC HEARING AND ACTION ON RESOLUTION #2010-15** authorizing long-term debt not to exceed one million, four hundred and sixty-seven thousand, three hundred and thirty-eight dollars (\$1,467,338.00) for the purpose of bonding 2008-2010 capital projects and equipment purchases
- B. Shall the Town Council, upon recommendation of the Town Administrator, adopt an Investment Policy, General Fund-Fund Balance Policy, and Debt Policy for the Town of Durham?
- C. Other business

**XII. Nonpublic Session (if required)**

**XIII. Extended Councilor and Town Administrator Roundtable (if required)**

**XIV. Adjourn (NLT 10:15 PM)**



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AGENDA ITEM: # 4

DATE: May 3, 2010

## COUNCIL COMMUNICATION

**INITIATED BY:** Durham Town Council

**AGENDA ITEM:** APPROVE THE TOWN COUNCIL MEETING MINUTES FOR APRIL 5, 2010

**CC PREPARED BY:** Jennie Berry, Administrative Assistant

**PRESENTED BY:** Todd I. Selig, Town Administrator

**AGENDA DESCRIPTION:**

Attached for the Council's review and approval are the minutes for the Town Council meeting held on April 5, 2010.

Please call Jennie Berry with any grammatical/spelling changes prior to the meeting. Discussion at Monday evening's meeting should be limited only to substantive changes.

**LEGAL AUTHORITY:**

RSA 91-A:2 (II) specifies what must be contained in minutes of public meetings: *"Minutes of all such meetings, including names of members, persons appearing before the bodies or agencies, and a brief description of the subject matter discussed and final decisions, shall be promptly recorded and open to public inspection not more than 5 business days after the public meeting, except as provided in RSA 91-A:6, and shall be treated as permanent records of any body or agency, or any subordinate body thereof, without exception."*

**LEGAL OPINION:**

N/A

**FINANCIAL DETAILS:**

N/A

**SUGGESTED ACTION OR RECOMMENDATIONS:**

**MOTION:**

*The Durham Town Council does hereby approve the Town Council meeting minutes of April 5, 2010 (as presented) (as amended).*



**TOWN OF DURHAM**  
**Business Department**

15 Newmarket Road, Durham, NH 03824-2898

Tel: (603) 868-8043 # Fax: (603) 868-5572

**AGENDA ITEM # 7A**  
Gail Jablonski, Business Manager  
gjablonski@ci.durham.nh.us

**DATE: May 3, 2010**

## **COUNCIL COMMUNICATION**

**INITIATED BY:** Gail Jablonski, Business Manager

**AGENDA ITEM:** **RESOLUTION 2010-14 AUTHORIZING THE TOWN OF DURHAM TO OPEN A TWO MILLION DOLLAR (\$2,000,000) TAN LINE OF CREDIT THROUGH CITIZENS BANK**

**CC PREPARED BY:** Gail Jablonski, Business Manager

**PRESENTED BY:** Gail Jablonski, Business Manager

### **AGENDA DESCRIPTION:**

The Town of Durham operates on a calendar year fiscal cycle. Prior to 2007 the Town collected taxes once a year in December, which required the Town to borrow money on a Tax Anticipation Note (TAN) in the spring of the year to cover expenses until the tax bills were issued and payments received, typically in December. This resulted in large interest payments being paid yearly (in 2006 \$275,000 was paid in interest). In 2007 the Town moved to the semi-annual collection of property taxes which improved the Town's cash flow, however, there are still times when we are in need of short-term borrowing to cover expenses.

The Business Manager and Administrator are recommending the Town of Durham open a \$2,000,000 TAN line of credit with Citizens Bank to cover us for May and June. This TAN line of credit is considered to be the equivalent of a TAN, with the exception that the funds are not taken in one lump sum with principal and interest due at maturity. The Town can borrow as needed up to the full amount and in addition, the Town can pay back the amount borrowed when it has the funds to do so. This TAN line of credit will expire on July 31, 2010. It is currently looking like we will have a deficit in late May/early June while we are waiting for people to pay their tax bills. It appears this deficit may be due to some of the large projects which we have begun work on but have not yet received Federal/State assistance, as well as the projects which are waiting to be bonded.



**LEGAL AUTHORITY:**

NH RSA 33:7 authorizes the Town to issue Tax Anticipation Notes (TAN's) up to an amount not exceeding in the aggregate the total tax levy of the Town for the current financial year.

NH RSA 33:9 states, "The issue of bonds or tax anticipation notes by a city shall be authorized by a resolution of the city councils, passed by at least 2/3 of all the members of each branch thereof".

Article 5.12 paragraph C of the Town of Durham's Charter vests the Town with the powers and duties of a city for the purposes of borrowing money.

**LEGAL OPINION:**

The Town's Legal Counsel will review and approve the TAN Line of Credit process.

**FINANCIAL DETAILS:**

Estimate borrowing up to \$2 million which will be repaid by July 31, 2010.

**SUGGESTED ACTION OR RECOMMENDATIONS:**

**MOTION:**

*The Durham Town Council hereby adopts Resolution #2010-14 authorizing the issuance of a Two Million Dollar (\$2,000,000) TAN Line of Credit through Citizens Bank of New Hampshire which will expire on July 31, 2010. [2/3 vote required].*



**DRAFT**

**RESOLUTION #2010-14 DURHAM, NEW HAMPSHIRE**

**A RESOLUTION AUTHORIZING THE ISSUANCE OF TWO MILLION DOLLARS (\$2,000,000) IN A TAX ANTICIPATION NOTE LINE OF CREDIT**

**WHEREAS**, Chapter 33:7 of the New Hampshire State Revised Statutes authorizes the issuance of Tax Anticipation Notes not to exceed one year in length on the aggregate total tax levy; and

**WHEREAS**, the Treasurer of the Town of Durham has calculated that there is a need to incur debt in anticipation of the taxes of the financial year in which the debt is incurred in order to pay current maintenance and operational expenses;

**NOW, THEREFORE BE IT RESOLVED** that the Durham Town Council, the governing body of the Town of Durham, New Hampshire hereby adopts Resolution #2010-14 authorizing the Town Treasurer to issue a Tax Anticipation Note Line of Credit not to exceed Two Million Dollars (\$2,000,000) in anticipation of taxes of the current fiscal year and to refund such notes within the limits prescribed in RSA 33:7.

**PASSED AND ADOPTED** on this \_\_\_\_ day of \_\_\_\_\_ by two-thirds vote of the Council with \_\_\_\_\_ voting in favor, \_\_\_\_\_ voting against and , \_\_\_\_\_ abstaining as follows:

Smith	_____	Niman	_____	Gooze	_____
Mower	_____	Carroll	_____	Cote	_____
Clark	_____	Sievert	_____	Stanhope	_____

\_\_\_\_\_  
Diana Carroll, Chair  
Durham Town Council

**ATTEST:**

\_\_\_\_\_  
Lorrie Pitt, Town Clerk



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**# 7B**  
**AGENDA ITEM:**

**DATE: May 3, 2010**

## **COUNCIL COMMUNICATION**

**INITIATED BY:** Town of Durham and Durham Parks and Recreation

**AGENDA ITEM:** SHALL THE TOWN COUNCIL APPROVE CLOSING CERTAIN SECTIONS OF TOWN ROADS TO CONDUCT THE TOWN'S ANNUAL MEMORIAL DAY PARADE ON MONDAY, MAY 31, 2010?

**CC PREPARED BY:** Jennie Berry, Administrative Assistant

**PRESENTED BY:** Todd I. Selig, Town Administrator

**AGENDA DESCRIPTION:**

Monday, May 31, 2010, is Memorial Day. On this day each year, the Town has traditionally conducted a Memorial Day Parade to honor its veterans. In 2009, The Bourgoin-Reardon Unit 94 Auxiliary of the American Legion, who for many years faithfully coordinated the parade, requested that the Town assume primary responsibility for planning and organizing the Memorial Day Parade. To this end, the Town and the Parks and Recreation Department continue this traditional Durham activity.

This year there will be a slight modification to the parade route. In past years, the parade has originated from Laurel Lane. This year the parade will begin at Old Landing Road. At 10:00 AM on the 31<sup>st</sup>, the Oyster River wreath-dropping ceremony will take place on the footbridge at the Durham Town Landing. Immediately following the ceremony, the parade will depart Old Landing Road and turn left onto Route 108. At the 108 intersection the parade will proceed towards downtown for the second ceremony at Memorial Park. A third ceremony will take place up at the Memorial Union Building Chapel following the events at Memorial Park.

A map of the new parade route is attached for the Council's information.

**LEGAL AUTHORITY:**

Council approval is required for the closing of Town streets.

**LEGAL OPINION:**

N/A

**FINANCIAL DETAILS:**

N/A

**SUGGESTED ACTION OR RECOMMENDATIONS:**

**MOTION:**

*The Durham Town Council hereby approves closing certain sections of Town roads described in the attached special event/road closure application submitted by the Durham Parks and Recreation department from 10:00 AM to 12:00 noon on Monday, May 31, 2010, to conduct the Town's annual Memorial Day Parade.*



## TOWN OF DURHAM

15 Newmarket Road

Durham, NH 03824

Tel: (603) 868-5571

Fax: (603) 868-5572

Email: jberry@ci.durham.nh.us

### PERMIT APPLICATION

**TYPE OF PERMIT (Please check one):**

Special Event

Road Closure Request

Use of Town Property

DATE OF EVENT: MONDAY, MAY 31<sup>ST</sup> TIME(S) OF EVENT: 10AM - 12PM

NAME OF APPLICANT/ORGANIZATION: DURHAM PARKS + REC  
MEMORIAL DAY PARADE

PERSONAL CONTACT FOR THIS EVENT: MICHAEL MENIERS

ADDRESS: 2 DOVER ROAD, DURHAM, NH 03824

TELEPHONE NO.: DAY: 817-4074 EVENING: 969-8973

EMAIL: MMENIERS@CI.DURHAM.NH.US

DETAILED DESCRIPTION OF REQUEST (Pertaining to amplified music, location, route of travel. Please attach maps denoting routes and road closures):

FOR THE MEMORIAL DAY PARADE PARKS + RECREATION REQUEST SECTIONS OF  
ROUTE 108 (DOVER ROAD) AND MAIN STREET (AND MELL ROAD) BE CLOSED.

ROUTE 108 (STARTING AT OLD LANDING ROAD) WILL NEED TO BE CLOSED FROM  
10AM TO APPROX. 10:45AM. THIS WILL BE DONE W/ A POLICE OFFICER STATIONED

AT OLD LANDING ROAD, ONE AT PHELIPS 66, ONE AT CIRCLE K AND TWO AT  
THE 108 INTERSECTION (NEWMARKET ROAD/DOVER ROAD). MAIN STREET FROM THE

108 INTERSECTION TO MADBURY ROAD WILL NEED TO BE CLOSED FROM 10:15AM TO  
11:00AM (APPROX). THIS WILL NEED AN ADDITIONAL OFFICER AT THE INTERSECTION

ANTICIPATED NUMBER OF PARTICIPANTS: \_\_\_\_\_

ANTICIPATED NUMBER OF VEHICLES: 50 TO BE PARKED AT TOWN LANDING/TOWN HALL.

OF MAIN + MADBURY. MAIN STREET AND MELL ROAD AT THE INTERSECTION NEAR  
MEMORIAL PARK WILL ALSO NEED TO BE CLOSED FROM 10AM UNTIL NOON. THIS  
WILL BE DONE BY AN OFFICER AT THE INTERSECTION OF MELL AND MAIN AND  
ANOTHER AT THE MELL PLAZA ENTRANCE/EXIT.

PARADE WILL USE DURHAM TOWN LANDING + MEMORIAL PARK.

AMPLIFIED MUSIC WILL BE PLAYED BY ORMS JAZZ BAND AT MEMORIAL PARK.

CERTIFICATE OF INSURANCE INFORMATION

As evidence of its financial ability to indemnify the Town of Durham, during the term of this agreement, the applicant shall obtain and pay premiums for Commercial General Liability insurance protecting the parties hereto, their agents, officers, elected officials, representatives, or employees because of bodily injury, property damage, personal injury or products liability incurred by the parties in the performance of the terms of this lease, such policy to provide limits no less than \$1 million per occurrence. A Certificate of Insurance naming the Town of Durham as an Additional Insured shall be provided.

Insurance Carrier: N/A

Policy Number and Expiration Date: \_\_\_\_\_

The undersigned hereby agrees, at its sole cost and expense, to defend, indemnify and hold harmless the Town of Durham and all associated, affiliated, allied and subsidiary entities of the Town, now existing or hereinafter created, and their respective officers, boards, commissions, employees, agents, and contractors (hereinafter referred to as "indemnities") from and against any and all liability, obligation, damages, penalties, claims, liens, costs, charges, losses and expenses which may be imposed upon, incurred by or asserted against the indemnities by reason of any act or omission of the undersigned, its personnel, employees, agents, contractors or subcontractors which results in damage or injury of any kind to any person or any property and which arises out of or is any way connected with the activities permitted by this permit.

*[Signature]*  
Printed Name and Signature of Event Coordinator/applicant

4/19/2010  
Date

\_\_\_\_\_  
Printed Name and Signature of Principal/Owner/Authorizing Authority

\_\_\_\_\_  
Date

\*\*\*\*\*

**FOR OFFICIAL USE ONLY**

Reviewed by DPW  
Comments:

*OK [Signature]*

Reviewed by PD  
Comments:

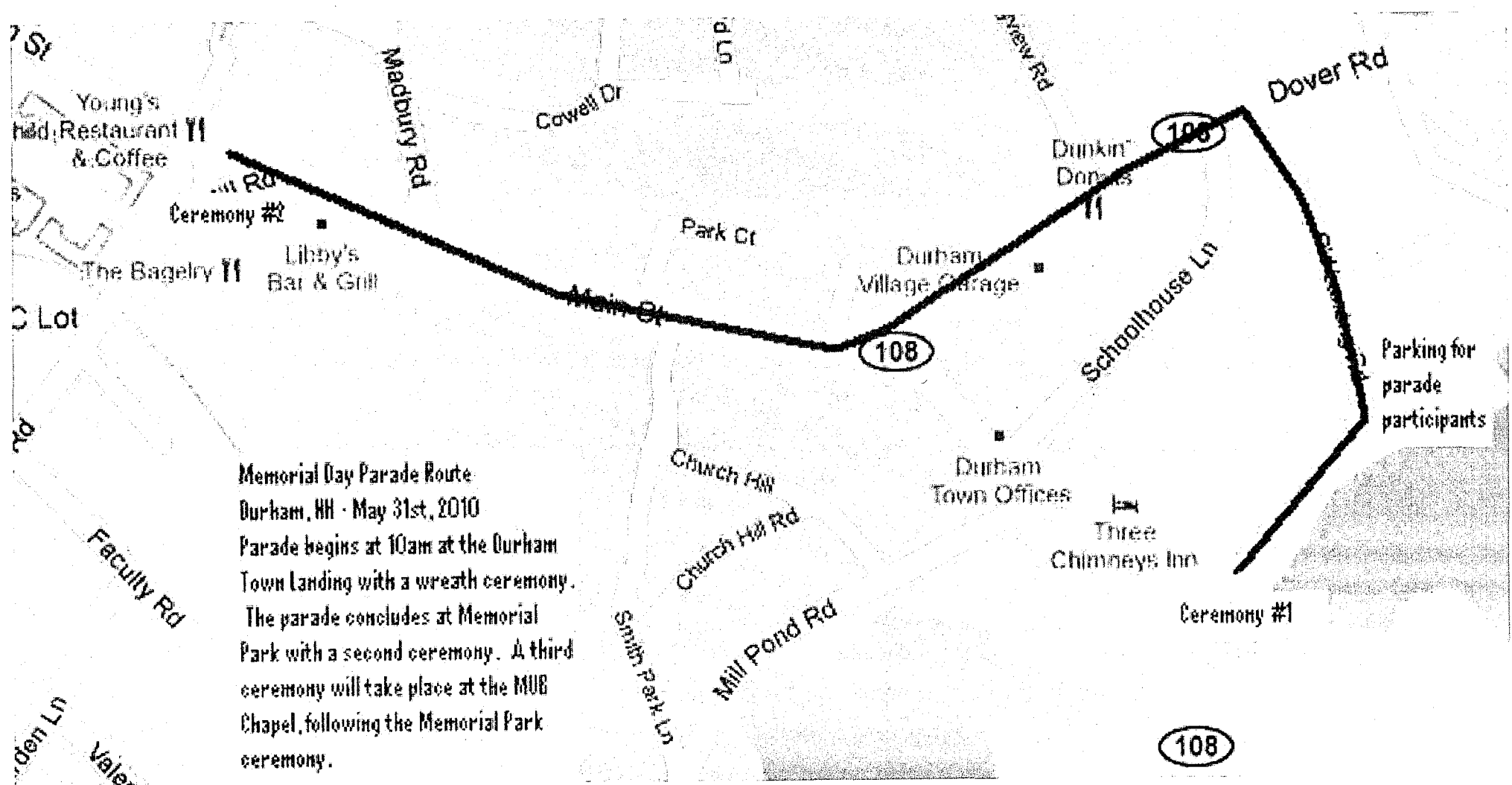
*OK [Signature]*

Reviewed by FD  
Comments:

Approved

\_\_\_\_\_  
Todd I. Selig, Town Administrator

\_\_\_\_\_  
Date



**Memorial Day Parade Route  
Durham, NH - May 31st, 2010**

Parade begins at 10am at the Durham Town Landing with a wreath ceremony. The parade concludes at Memorial Park with a second ceremony. A third ceremony will take place at the MUE Chapel, following the Memorial Park ceremony.

108



**TOWN OF DURHAM**  
**Business Department**

15 Newmarket Road, Durham, NH 03824-2898

Tel: (603) 868-8043 • Fax: (603) 868-5572

**AGENDA ITEM # 7C**  
Gail E. Jablonski, Business Manager  
gjablonski@ci.durham.nh.us

**DATE: May 3, 2010**

## **COUNCIL COMMUNICATION**

**INITIATED BY:** Barbara Ross, Staff Accountant

**AGENDA ITEM:** SHALL THE TOWN COUNCIL APPROVE THE WATER AND SEWER WARRANT FOR SPRING 2010 TOTALING \$478,013.96 AND AUTHORIZE THE TOWN ADMINISTRATOR TO SIGN SAID WARRANT?

**CC PREPARED BY:** Barbara Ross, Staff Accountant

**PRESENTED BY:** Todd I. Selig, Town Administrator

**AGENDA DESCRIPTION:**

Attached for the Council's approval is the Water and Sewer Warrant for Spring 2010 totaling \$478,013.96 in accordance with RSA 38:22 II (a) which states: "A municipality may commit bills for charges to the Tax Collector with a warrant signed by the appropriate municipal officials requiring the Tax Collector to collect them." The commitment list is available for viewing in the Business Office and will be available at the Town Council meeting on Monday night.

**LEGAL AUTHORITY:**

RSA 38:22 II (a)

**LEGAL OPINION:**

N/A

**FINANCIAL DETAILS:**

The warrant details are as follows:

Water	\$196,351.73
Sewer	\$281,662.23
Total	\$478,013.96

with interest at twelve percent (12%) on all sums not paid thirty days (30) from the due date.



Council Communication, 5/3/10  
Spring 2010 Water and Sewer Warrant  
Page 2

**SUGGESTED ACTION OR RECOMMENDATIONS:**

**MOTION:**

*The Durham Town Council hereby approves the Spring 2010 water and sewer warrant totaling \$478,013.96 and commits the bills for charges to the Tax Collector for collection. The Durham Town Council further authorizes the Town Administrator to sign said warrant on its behalf.*

**STATE OF NEW HAMPSHIRE**  
**WATER/SEWER WARRANT – SPRING 2010**

**STRAFFORD SS**

To Lorrie Pitt, Collector of Water and Sewer Taxes for the Town of Durham in said County.

In the name of said State, you are directed to collect the water and sewer taxes in the list herewith committed to you, amounting in all to the sum of

Water	\$196,351.73
<u>Sewer</u>	<u>\$281,662.23</u>
Total	\$478,013.96

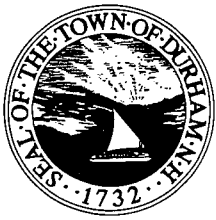
with interest at twelve percent (12%) on all sums not paid thirty (30) days from the due date.

And we further order you to pay all monies collected, to the Treasurer of said Town at least on a weekly basis.

The list on the following pages is a correct list of the assessment of the Water and Sewer Taxes for Spring 2010.

Given under our hands and seal at Durham this \_\_\_\_ day of May, 2010.

\_\_\_\_\_  
Todd I. Selig, Town Administrator  
Per Town Council vote on 5/3/10



DEPARTMENT OF PUBLIC WORKS

TOWN OF DURHAM

100 STONE QUARRY DRIVE

DURHAM, N.H. 03824

603/868-5578

FAX 603/868-8063

# **7D**

AGENDA ITEM:

DATE: May 3, 2010

## COUNCIL COMMUNICATION

**INITIATED BY:** Public Works Department

**AGENDA ITEM:** SHALL THE TOWN COUNCIL, UPON RECOMMENDATION OF THE TOWN ADMINISTRATOR, AWARD THE ENGINEERING CONTRACT FOR THE MORGAN WAY / ROUTE 4 INTERSECTION IMPROVEMENTS TO CMA ENGINEERS OF PORTSMOUTH NH IN THE AMOUNT OF \$69,407.00 AND AUTHORIZE THE TOWN ADMINISTRATOR TO SIGN A CONTRACT FOR THIS PROJECT?

**CC PREPARED BY:** Michael Lynch, Public Works Director

**PRESENTED BY:** Todd Selig, Town Administrator  
Michael Lynch, Public Works Director

In 2009 several residents of the Morgan Way neighborhood attended the July Traffic Safety Committee meeting to ask for support in making the intersection of Route 4 and Morgan Way safer. Police Chief Dave Kurz and Director of Public Works Mike Lynch meet with NHDOT officials Jim Marshall, Mike Dugas and Doug DePorter in August 2009 to discuss options available to the Town for intersection improvements at Morgan Way. NHDOT officials gave Town officials a conceptual plan of what NHDOT would approve if the Town moved forward with improvements to this intersection. On November 30, 2010 Town officials meet with the Morgan Way neighborhood to discuss the conceptual plan. The neighborhood unanimously approved the plan and requested it be placed in the budget.

In the 2010 Capital Improvement Plan, the Town of Durham allocated \$390,000 for the improvement of the Morgan Way / Route 4 intersection. On January 27, 2010 the Town Administrator signed the application for the State Highway Aid Program, which funds 2/3 of local highway projects. Because this project was anticipated to be in the 2015 Highway Aid Program, and the Town endorsed completing the project this year, the Town agreed to front the \$390,000 now and seek reimbursement for the 2/3 at a later date somewhere around the 2015 date.

On January 30, 2010 town staff advertised for Request for Qualifications for consulting firms interested in this project. Ten consulting firms provided

qualification packages, and of the Ten, Four were selected for interviews. Those four firms selected were:

Hoyle Tanner Associates of Manchester, NH,  
CMA Consulting Engineers of Portsmouth, NH.  
MJS Engineering of Newmarket, NH  
Underwood Engineers of Portsmouth, NH.

The Town selected CMA Engineers of Portsmouth, NH as the most qualified engineers for the Route 4 / Morgan Way intersection improvement project. The CMA contract is for \$69,407 and includes complete design, bidding and subcontractor contracts. Attached for Town Council review are the cover pages of CMA's contract and the letter from NHDOT approving said contract.

**LEGAL AUTHORITY:**

Article VI, Section 4-20 of the Administrative Code of the Town of Durham states: Professional services contracts (architecture, engineering, construction management, risk management, financial and auditing and other professional services or consulting work) of Fifteen thousand (\$15,000) dollars or more may be entered into after receiving proposals from various interested firms, evaluating those proposals and anticipated quality of service to be rendered, and Town Administrator recommendation to and approval by the Town Council. Such services of less than Fifteen Thousand (\$15,000) dollars may be procured in a manner deemed responsible and prudent by the Town Administrator.

**LEGAL OPINION:**

N/A

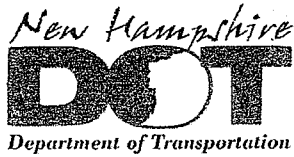
**FINANCIAL DETAILS:**

2010 Capital Improvement budget	\$390,000
CMA Engineers NHDOT approved contract	\$69,407
Project balance	\$320,593
Anticipated NHDOT reimbursement (2015)	\$260,000

**SUGGESTED ACTION OR RECOMMENDATIONS:**

**MOTION:**

*The Durham Town Council does hereby, upon recommendation by the Town Administrator, awards the engineering design contract for the reconstruction of the Route 4/Morgan Way intersection to CMA Engineers of Portsmouth, NH for the sum of \$69,407 and authorizes the Town Administrator to sign said contract with the monies coming from Account # 07-1014-801-36-000.*



THE STATE OF NEW HAMPSHIRE  
DEPARTMENT OF TRANSPORTATION

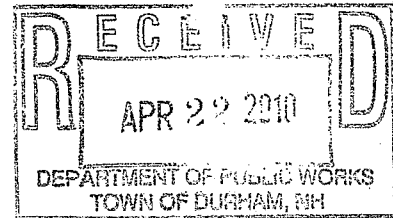


GEORGE N. CAMPBELL, JR.  
COMMISSIONER

April 19, 2010

JEFF BRILLHART, P.E.  
ASSISTANT COMMISSIONER

Michael Lynch, Public Works Director  
Town of Durham  
15 Newmarket Road  
Durham, NH 03824



RE: DURHAM, #15944  
Morgan Way/US Route  
State Aid Highway Program  
**CONSULTANT and DESIGN SCOPE & FEE APPROVAL**

Dear Mr. Lynch:

We have reviewed your letter dated March 15, 2010, regarding the selection of CMA Engineers to utilize their engineering services for the above-referenced project. Your notification is adequate to substantiate compliance with the Qualifications-Based Selection Process.

We have also reviewed the Scope of Work and Fee Proposal dated March 17, 2010, as submitted by CMA Engineers and find it to be satisfactory.

The Consultant may proceed with the Engineering Study. As outlined in the State Aid Highway Program guidelines, please submit a copy to this office for our review and concurrence.

If you have any questions, please contact me.

Sincerely,

James A. Marshall, P.E.  
Project Manager  
Bureau of Planning and Community Assistance  
Telephone: (603) 271-6472

JAM/sdb  
cc: Roch Larochelle, CMA Engineers

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CMA ENGINEERS, INC.  
CIVIL/ENVIRONMENTAL ENGINEERS

35 Bow Street  
Portsmouth, New Hampshire  
03801-3819

Phone: 603/431-6196  
Fax: 603/431-5376  
E-mail: [info@cmaengineers.com](mailto:info@cmaengineers.com)  
Web Site: [www.cmaengineers.com](http://www.cmaengineers.com)

March 17, 2010

Mr. Michael Lynch, Director of Public Works  
Town of Durham  
100 Stone Quarry Drive  
Durham, NH 03824

Re: **Morgan Way/NH Route 4 Intersection Improvements**  
**CMA #P-2155**

Dear Mr. Lynch:

CMA Engineers is pleased to provide our proposed agreement for engineering services for the above-noted project.

The overall scope of work has been developed in accordance with the NHDOT's process for "Municipally-Managed" projects and as such has been broken down into Part A (Preliminary Design), Part B (Final Design) with the assumption that Part C (Construction Services) will be negotiated later as the project is better defined and closer to construction. A detailed scope of services, along with the estimated fee derivation is included in Attachment A.

### 1. Approval of Contract

It is understood that this contract will be reviewed for approval by the Town. It should be noted, however, that work cannot begin on this project until the NHDOT has reviewed and approved the scope and fee. Our Scope of Work and Fee Derivation will be forwarded to Ms. Nancy Mayville, P.E., Administrator of the NHDOT Bureau of Planning and Community Assistance following the Town's approval of this contract for her review and authorization to proceed. It is typical that an approval is granted by the NHDOT within two weeks of receiving the document. Our preliminary proposed schedule assumes that an approval will be provided by April 7th.

### 2. Project Team

The project team for this project consists of the individuals listed below supplemented by the balance of CMA Engineers' engineering and technical staff. Additionally New Hampshire Soil Consultants (NHSC)/GZA GeoEnvironmental and Doucet Survey are to provide wetland flagging and survey support, respectively, as well as New England Archaeology and Preservation Company for archaeology (Phase IA) and historical components (Individual Form):

William A. Straub, P.E.	Principal-in-Charge
Roch D. Laroche, P.E.	Project Manager
Joshua W. Bouchard, P.E.	Project Engineer

P-1255-Durham-C-100317-Morgan Way Proposed Agreement RDL

Manchester, New Hampshire

Portsmouth, New Hampshire

Kennebunk, Maine

### 3: Preliminary Project Schedule (Subject to Change)

A preliminary project schedule has been prepared and is based on an assumed April 7th, 2010 Notice to Proceed, pending approval of the scope/fee by NHDOT. Actual dates are contingent upon State/environmental and permit approvals. In general terms, the proposed schedule reflects the following major milestones:

#### Part A-Preliminary Design

Notice to Proceed/Begin Survey	April 7, 2010 (assumed NHDOT approval)
Environmental Study Report	June, 2010
Engineering Study/Conceptual Plans	June, 2010
Public Information Meeting	June, 2010

#### Part B-Final Design

Preliminary Plans Submittal	July, 2010
Final Plans Submittal	August, 2010
Authorization to Advertise	August, 2010 (assumed - TBD)

#### Part C-Construction (Not Part of this Contract) (Schedule Subject to Change)

Bidding Completed	September 1, 2010
Contract Award	September 30, 2010
Construction Begins	October, 2010

This preliminary schedule will be updated as the project and associated permitting needs are better defined through the process. It is understood that the Town desires to be under construction within 2010 which would result in a late-fall construction season that may extend into early 2011 depending on assumed contractor operations and actual advertising date. The schedule that is presented here is a very aggressive schedule and will be somewhat dependent on permitting needs and State reviews.

### 4. Engineering Fees

Engineering fees will be assessed on the basis of CMA Engineers, Inc. standard rates. Engineering staff are invoiced at the rate of salary cost (wage rate plus 35% to cover statutory and customary fringe benefits) times a factor of 2.45. Principal time is invoiced at the lesser rates of \$130 for William A. Straub, P.E. Subconsultants are invoiced at cost times 1.15. Expenses are invoiced at cost plus 10%. Mileage will be billed at the prevailing IRS rate. CADD computer time is invoiced at \$9/hour.

Our fee estimate for Preliminary and Final Design and Bidding Assistance (Part A/Part B) for this project, inclusive of time, expenses and consultants' costs has been estimated at \$69,407. This fee does not include costs for the Construction Phase (Part C) at this time and will be negotiated at a later date once the project is further refined and closer to construction. A detailed breakdown of our fees is included in Attachment A of this agreement. If total fees exceed the estimated fee total of the value specified above, we will advise the Town as to the circumstances

Mr. Michael Lynch  
March 17, 2010  
Page 3

requiring such increases, and not exceed the budget without additional authorization. Invoices are submitted monthly with payment of invoices due net thirty (30) days of invoice date.

**5. Agreement**

CMA Engineers' standard terms and conditions are attached and shall apply except where specifically modified above. This agreement, including Exhibit A (Scope of Work and Fee Proposal), and all associated attachments, may only be modified in writing, signed by all parties.

We note that Town acceptance of this agreement is subject to review and concurrence of the NH Department of Transportation.

We appreciate this opportunity to work with the Town of Durham on this important project. If you have any questions or need additional information, please feel free to contact us.

Very truly yours,

CMA ENGINEERS, INC.



William A. Straub, P.E.  
Principal/Vice President



Roch D. Larochelle, P.E.  
Project Manager

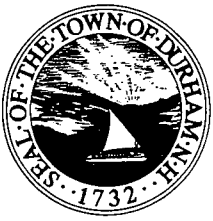
**Accepted and Authorized to Proceed:**

\_\_\_\_\_  
*Town of Durham*

\_\_\_\_\_  
*Date*

RDL/WAS/cak

Enclosures: Attachment A: Scope of Services and Fee  
CMA Engineers, Inc. Terms and Conditions



DEPARTMENT OF PUBLIC WORKS

TOWN OF DURHAM

100 STONE QUARRY DRIVE

DURHAM, N.H. 03824

603/868-5578

FAX 603/868-8063

# **7E**

AGENDA ITEM:

DATE: May 3, 2010

## COUNCIL COMMUNICATION

INITIATED BY: Public Works Department

AGENDA ITEM: SHALL THE TOWN COUNCIL, UPON RECOMMENDATION OF THE TOWN ADMINISTRATOR, AUTHORIZE THE PURCHASE OF A NEW COMPACT TELEHANDLER, WITH ATTACHMENTS, IN THE AMOUNT OF \$56,315.91 FROM SUNBELT RENTALS OF PORTSMOUTH, NH FOR THE WASTEWATER TREATMENT FACILITY?

PREPARED BY: Michael Lynch, Public Works Director

PRESENTED BY: Todd Selig, Town Administrator  
Michael Lynch, Public Works Director

AGENDA DESCRIPTION:

The 2010 Capital Improvements Budget includes \$65,000 for the purchase of a 2010 model, Compact Telehandler, which is utilized daily at the Wastewater Treatment Plant. This new Compact Telehandler will replace a 1997 Bobcat 963 Skid Steer. The new Compact Telehandler (see attached picture) will be utilized daily by Treatment Plant employees to handle and dispose of treatment plant screenings and grit, and to unload palletized chemical deliveries. This vehicle is much more versatile than our current Bobcat Skid Steer for the same amount of money. This piece of equipment is on the Public Works 10-year replacement program schedule. After the 10-year time period lapsed the current Bobcat was still a reliable piece of equipment and staff continued to utilize it on a daily basis. The Bobcat now is not reliable for daily wastewater operations and will be delegated as a reserve material handler at the Public Works Facility.

The Department of Public Works / Wastewater staff field demonstrated and tested four different Compact Telehandler manufactures, advertised bid # 2010-03 on March 25, 2010 in a couple of local newspapers and sent out 4 request for bid proposal to vendors in Maine and New Hampshire. We received four bid proposals from the vendors listed below.

Milton-Cat  
16 Pleasant Hill Road  
Scarborough, Maine

Casey Equipment & Rental Corp.  
351, Route 125  
Brentwood, NH

Sunbelt Rentals  
170 Lafayette Road  
Portsmouth, NH

Bobcat of New Hampshire  
9 Dover Road (Rte 4)  
Chichester, NH

After review of all bids (see financial details) and operator testing and training, DPW staff and the Town Administrator recommends the Town of Durham purchase the JLG G518A Compact Telehandler because it is the best value and most versatile piece of equipment, which meets all of the Town's specifications.

Please see footnotes under financial details.

**LEGAL AUTHORITY:**

Article 4-19 of the Administrative Code of the Town of Durham requires every purchase or contract in excess of \$15,000.00 shall be made only after receipt of publicly invited sealed competitive bids on uniform specifications and that all purchases in excess of \$35,000 requires approval by the Town Administrator and Town Council by affirmative vote.

**LEGAL OPINION:**

N/A

**FINANCIAL DETAILS:**

2010 Capital Fund Budget                      \$65,000.00

April 20, 2010 bid result:

Milton-Cat TH255 \$62,900.00 Staff Comments  
✓ High Cost  
✓ Easy to service  
✓ Good warranty

Bobcat of New Hampshire, Bobcat V518 \$55,014.00 Staff Comments  
✓ Good warranty  
✓ Larger machine than others  
✓ Not made in U.S.  
✓ Historically high maintenance cost

Sunbelt Rentals JLG G518A \$56,315.91 Staff Comments  
✓ Highest score with operators  
✓ Best site lines  
✓ Easy to service  
✓ Best warranty

Casey Companies JCB 527-55 \$60,963.00 Staff Comments  
✓ Low score from operators  
✓ High costs  
✓ Good warranty

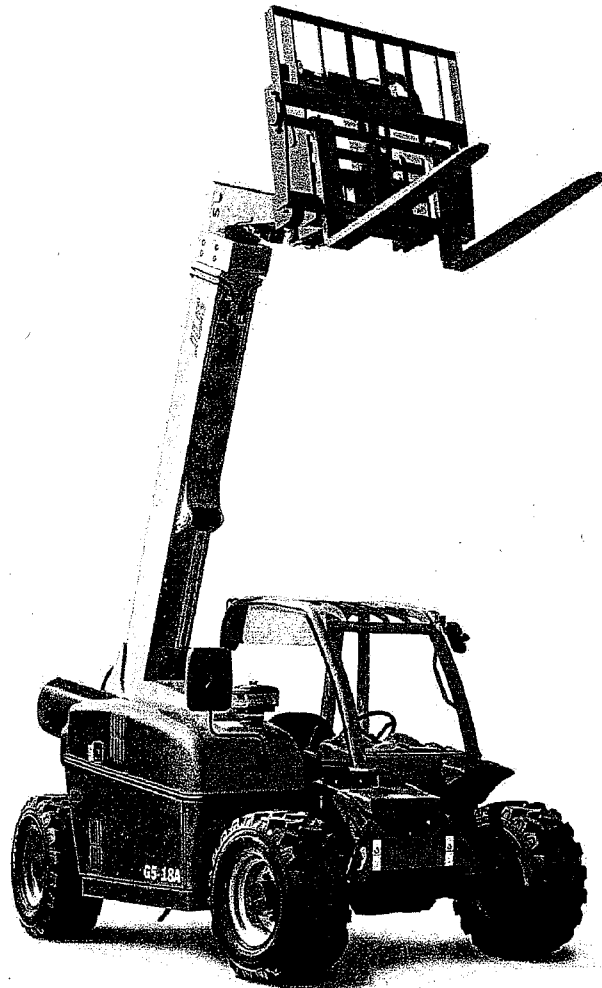
**SUGGESTED ACTION OR RECOMMENDATIONS:**

**MOTION:**

*The Durham Town Council does hereby, upon recommendation by the Town Administrator, award the bid and authorizes the purchase of a new, 2010 JLG Compact Telehandler with attachments from Sunbelt Rentals, of Portsmouth, NH for the sum of \$56,315.91 with the expenditure to be paid from capital fund account # 07-1034-360-36-000.*

# and versatility compact S.

pick up full pallets, moving  
lifting heavy materials,  
they do all of the heavy  
330-inch turning  
maneuver around  
inside  
you'll have  
d for the  
possible.





TOWN OF DURHAM  
15 NEWMARKET ROAD  
DURHAM, NH 03824-2808  
Tel: 603/868-5571  
Fax: 603/868-5572

**# 10A**

**DATE: May 3, 2010**

## **COUNCIL COMMUNICATION**

**INITIATED BY:** Durham Town Council

**AGENDA ITEM:** CONTINUED DISCUSSION REGARDING THE DEVELOPMENT OF  
TOWN COUNCIL GOALS FOR 2010/11

**CC PREPARED BY:** Jennie Berry, Administrative Assistant

**CC PRESENTED BY:** Todd I. Selig, Town Administrator

**AGENDA DESCRIPTION:**

At the March 15, 2010 Town Council meeting, Councilors began the process of reviewing the goals list that was adopted for 2009/10 with a progress report (as of 1/7/10) prepared by the Administrator and considering whether or not to amend the current goals list. After some discussion, the Council decided to have each individual Councilor provide the Administrator with any amendments they may have to be incorporated into the document for further discussion.

At the April 5, 2010 Town Council meeting, Councilors were provided a draft goals list with updated suggestions from Councilors as of March 30, 2010 and the Council held a general discussion on the goals. At the April 19, 2010 meeting Councilors once again discussed the draft goals, with changes and decided to have each individual Councilor make edits to the goals and provide these changes to the Administrator for further development. The Town Administrator has attempted to rework and update the goals list incorporating the changes received from Councilors, which is attached for the Council's review.

**LEGAL AUTHORITY:**

N/A

**LEGAL OPINION:**

N/A

**FINANCIAL DETAILS:**

N/A

**SUGGESTED ACTION OR RECOMMENDATIONS:**

No formal motion is required. Continue discussion and development of the Council's goals for FY 2010/11.



# TOWN OF DURHAM

## 2010-2011 Council Goals

### Draft

For Council Review on 5/3/10

#### MISSION:

To create a community that seamlessly intertwines the amenities, resources, values, and culture inherent in a university town rich in natural resources by integrating our daily operations and strategic priorities with our long-term values and vision.

#### CORE VALUES:

Fair and open-minded approach to issues  
Excellence in all endeavors  
Trust and respect  
Honesty and integrity  
Justice  
Sustainability

#### STRATEGIC PRIORITIES AND TACTICS:

**1. Pursue Long-Term Economic and Environmental Sustainability** by embracing the notion of sustainability in its broadest terms, implementation of continuous improvement "Kaizen" principles, encouraging thoughtful redevelopment, diversifying the tax base, preserving Durham's limited natural resources, ensuring the long-term viability of financial strategies, and implementing "new urbanism" principles where possible.

**2. Revitalize the Central Business District and downtown commercial core** while maintaining our small Town character and sense of history through the encouragement of thoughtful new development or reinvestment that serves the year-round population, better integrates the presence of the University, targets the global marketplace, and is potentially inclusive of workforce housing opportunities, all intended to foster a critical mass of residential, commercial, and retail activity to revitalize Durham's downtown.

1. Evaluation and refinement of B. Dennis Strategic Plan to a point where it can be used as a framework for the revitalization of Durham's Commercial Core.
2. Initiation of a comprehensive Market Study to identify the potential demand and likely build out for business, industry, student, and non-student residential located in the commercial core of Durham.
3. Creation of an Implementation Plan for the revitalization of the Commercial Core, separating work into annual phases, including a recommendation for a Phase I that can be initiated in 2010 to include: Traffic Pattern: Evaluation and action as needed to convert Main Street and Pettee Brook Lane from one to two-way travel and potentially construct new roundabouts or squareabouts in front of Quad Way and at the intersection of Main Street and Madbury Road. Pedestrian Ways/Greens: Identifying the appropriate locations for pedestrian ways and greens, and investigating alternatives to ensure these areas are preserved for this purpose. Parking: Creating a short and long-term parking plan that either utilizes street parking along both sides of existing and planned side streets and/or structured parking. Local Public Transportation: Encourage forms of public transportation for the explicit purpose of transporting our residents seamlessly from their homes, to downtown, the Town Hall, Library, Train Station, and Schools.

**3. Maintain the integrity of Durham neighborhoods** through vigilant enforcement of zoning regulations, the exploration and thoughtful evaluation of potential new regulatory strategies, the development of new desirable opportunities for undergraduate, graduate, and junior faculty housing in appropriately zoned locations to relieve pressure on traditional single family neighborhoods, and through continued collaborative relationships with the University of New Hampshire, the Durham Landlords Association, the Rental Housing Commission, and neighborhood residents.

**4. Identify definitive sites and develop a plan for key public facilities** to include Public Library, Fire Station, Town Office, and potential recreational opportunities so as to strengthen the town's identity and realize the financial and energy-efficiency benefits of combining functions, where possible, as well as to meet the present and future needs of the community.

**5. Revisit long-term vision for Durham** through the update of the 2000 Master Plan with emphasis in 2010 on integrating six chapters to include Downtown and Community Core Chapter, Professional Office Chapter, Environmental and Cultural Resources Chapter, Tax Stabilization Chapter, Land Development Regulations Chapter, and Energy Chapter.

**6. Continue to explore cooperative efforts with UNH** to enhance the intellectual, cultural, and potential future economic benefits of being a university town.

**7. Strengthen the community by supporting the needs of residents and families** through a wide array of active and passive recreational opportunities, the celebration of Durham's history, and by encouraging community walk-ability, bike-ability, and public transportation in order to provide safe and pleasing alternatives to using automobiles within the Town.

**8. Leverage town committees and subcommittees to develop tactical plans for the implementation of those portions of the B. Dennis Strategic Plan that are appropriate for Durham**, aligning their agendas with the broader goals of the Council, and encouraging them to collaborate with each other more frequently and with the community at large.

**9. Engagement with the Oyster River Cooperative School District** relative to openness and transparency in communication, sustainability in financial matters, and issues of substance abuse.



TOWN OF DURHAM  
15 NEWMARKET ROAD  
DURHAM, NH 03824-2898  
Tel: 603/868-5571  
Fax: 603/868-5572

AGENDA ITEM:

# **10B**

DATE: May 3, 2010

## COUNCIL COMMUNICATION

**INITIATED BY:** Neil Niman, Town Councilor

**AGENDA ITEM:** DISCUSSION REGARDING THE RENTAL OF PARKING SPACES  
WITHIN THE TOWN OF DURHAM

**CC PREPARED BY:** Neil Niman, Town Councilor

**PRESENTED BY:** Neil Niman, Town Councilor

### **AGENDA DESCRIPTION:**

Recently, an application before the Planning Board was denied in part because the owner of the property was leasing some of his parking spaces to students who attend the University of New Hampshire. This was interpreted to be a change in use and thus requires Planning Board approval. However, there are a number of properties (whether they are a church, business, or single-family residence) that rent parking spaces to UNH students. In fact, any physical piece of property in close proximity to the University appears to be a ripe revenue opportunity for the shrewd landowner. However, it would seem that if a change of use is required on one property, then any landowner who similarly chooses to rent spaces to UNH students and does not possess the requisite approvals from the Planning Board, should be subject to the same rules and regulations.

This raises the policy question of whether the Town of Durham is going to selectively enforce its ordinances, or is going to uniformly apply them to all property owners who are renting spaces and have not applied to the Planning Board and received approval for a change in use. It appears that the options are as follows: 1) try to identify every property that is currently renting parking spaces to UNH students and compel them to either apply to the Planning Board in order to conform to existing town ordinances or cease renting those spaces; 2) change the ordinance to allow the renting of parking spaces as an accessory use under certain conditions (e.g., cars are not parked in the front yard setback); or 3) engage in the practice of only targeting certain properties for compliance with the zoning ordinance.

The purpose of this communication is to hold a Council discussion in order to establish a clear policy direction for handling what has become the widespread practice by landowners (who are in close proximity to the University) of renting parking spaces to UNH students.

**LEGAL AUTHORITY:**

N/A

**LEGAL OPINION:**

N/A

**FINANCIAL DETAILS:**

N/A

**SUGGESTED ACTION OR RECOMMENDATIONS:**

No formal action is required. This is a general discussion seeking to determine what public policy position the Council wishes to take in terms of handling the widespread renting of parking spaces by landowners who are in close proximity to the University. Possible outcomes might be for the Council to:

1. Request the Administrator to have the Code Enforcement Officer identify and take the appropriate action against any and all landowners who are renting parking spaces without the appropriate Town approvals;
2. Ask the Planning Board to develop a change in the existing ordinance that would allow property owners in close proximity to the University to rent parking spaces; or
3. Develop a selective list of properties where the Town wishes to enforce the existing ordinance and a rationale for why some properties are being selected for code enforcement and others are not.



**TOWN OF DURHAM**  
**Business Department**

15 Newmarket Road, Durham, NH 03824-2898

Tel: (603) 868-8043 • Fax: (603) 868-5572

Gail E. Jablonski, Business Manager  
**AGENDA ITEM # 11A**  
GJablonski@ctdurham.nh.us

**DATE: May 3, 2010**

## **COUNCIL COMMUNICATION**

**INITIATED BY:** Gail Jablonski, Business Manager

**AGENDA ITEM:** PUBLIC HEARING AND ACTION ON RESOLUTION #2010-15  
AUTHORIZING THE ISSUANCE OF LONG-TERM DEBT NOT TO  
EXCEED ONE MILLION, FOUR HUNDRED AND SIXTY-SEVEN  
THOUSAND, THREE HUNDRED AND THIRTY-EIGHT DOLLARS  
(\$1,467,338.00) FOR THE PURPOSE OF BONDING 2008-2010  
CAPITAL PROJECTS AND EQUIPMENT PURCHASES

**CC PREPARED BY:** Gail Jablonski, Business Manager

**PRESENTED BY:** Gail Jablonski, Business Manager

**AGENDA DESCRIPTION:**

On December 17, 2007 the Town Council passed Resolution 2007-32 approving the *2008 Capital Fund Budget*. Below is a description of two items in this Capital Budget where bonding was planned and is now required, as well as the status of the project and request for funding.

Project Description	Amount Budgeted	Project Status	Amount to be Bonded
Testing and Analysis of Oyster River Dam	\$88,000	Ongoing	\$88,000
Wiswall Bridge Replacement	\$399,753	Ongoing	\$97,528

On December 1, 2008 the Town Council passed Resolution 2008-22 approving the *2009 Capital Fund Budget*. Below is a description of each item in this Capital Budget where bonding was planned and is now required, as well as the status of the project and request for funding.



Project Description	Amount Budgeted	Project Status	Amount to be Bonded
Park Court Drainage Repairs	\$35,600	Substantially Completed	\$35,600
Cedar Point Road Drainage Repairs	\$20,250	Construction Anticipated 2010	\$20,250
Snow Blower Replacement	\$90,000	Purchased	\$79,960

On December 21, 2009 the Town Council passed Resolution 2009-32 approving the **2010 Capital Fund Budget**. Below is a description of each item in this Capital Budget where bonding was planned and is now required, as well as the status of the project and request for funding.

Project Description	Amount Budgeted	Project Status	Amount Bonded
Morgan Way Improvements	\$390,000	Engineering Work to be Awarded May 3, 2010	\$390,000
West End Sewer Capacity Upgrade	\$511,000	Awaiting Bid Results	\$511,000
Wastewater Loader Replacement	\$65,000	Award of Bid Anticipated May 3, 2010	\$65,000
Collection System Upgrade (WW)	\$180,000	Construction Begun	\$180,000

The Business Office is working with the New Hampshire Municipal Bond Bank and our Bond Counsel, Renelle L'Huillier, from Devine, Millimet & Branch, PA in completing this bond issue. We anticipate this process will be completed by the end of June and funds received by July 22, 2010.

There are still several projects which have been approved for bonding, yet we are not recommending they be bonded at this point as their status is pending. They are as follows:

Land Conservation Purchase (3/11/03 Warrant Article)	\$880,000*
Pendexter Road Land Purchase (2006)	\$ 18,000
Municipal Network (2008)	\$120,000
Wiswall Dam Fish Ladder (2010)	\$ 59,263
TIF District (2008)	\$850,000

\*Warrant article authorized bonding of \$2,500,000. \$1,620,000 was bonded in 2006.

**LEGAL AUTHORITY:**

Section 5.12 of the Durham Town Charter enables the Town Council to approve the issuance of bonds or notes for less than \$1,000,000 per issue after holding a duly advertised public hearing and further stipulates that for the purposes of borrowing, the Town of Durham shall have all the powers and duties vested with a city. A public hearing was published in the *Foster's Daily Democrat* on Thursday, April 22, 2010. The notice was also posted on the public bulletin board located outside of the Town Hall as well as the Durham Public Library.

NH RSA 33:9 authorizes the issuance of bonds by a city, by resolution of the Council, passed by at least 2/3 of all Council members.

**LEGAL OPINION:**

Renelle L'Huillier, Bond Counsel for the Town of Durham is working with the Business Office on this issue and will be offering a legal opinion to prospective bond buyers as to whether all laws and policies have been followed.

**FINANCIAL DETAILS:**

The total amount of bonding is to be broken down into the various funds as follows:

General Fund	\$ 711,338
Water Fund	\$ 0
Sewer Fund	\$ <u>756,000</u>
	\$1,467,338

The estimated principal and interest payments per fund for 2009 are as follows:

	<u>Principal</u>	<u>Interest</u>
General Fund	\$37,122	\$31,929
*Sewer Fund	\$40,216	\$34,590

UNH will be responsible for 2/3 of the Sewer Fund payment.

The interest payments shall decrease yearly.

**SUGGESTED ACTION OR RECOMMENDATIONS:**

**MOTION 1:**

*The Durham Town Council hereby opens the Public Hearing on Resolution #2010-15 authorizing the issuance of long-term debt not to exceed One Million, Four Hundred and Sixty-Seven Thousand, Three Hundred and Thirty-Eight Dollars (\$1,647,338.00).*

**MOTION 2:**

*The Durham Town Council hereby closes the Public Hearing on Resolution #2010-15 authorizing the issuance of long-term debt not to exceed One Million, Four Hundred and Sixty-Seven Thousand, Three Hundred and Thirty-Eight Dollars (\$1,647,338.00).*

**MOTION 3:**

*The Durham Town Council hereby approves Resolution #2010-15 authorizing the issuance of long-term debt not to exceed One Million, Four Hundred and Sixty-Seven Thousand, Three Hundred and Thirty-Eight Dollars (\$1,647,338.00) and authorizes the Council Chair to sign all documents relating to the bonding. [2/3 vote required].*



**DRAFT**

## **RESOLUTION #2010-15 OF DURHAM, NEW HAMPSHIRE**

**AUTHORIZING THE ISSUANCE OF LONG-TERM BONDS OR NOTES NOT TO EXCEED ONE MILLION, FOUR HUNDRED AND SIXTY-SEVEN THOUSAND, THREE HUNDRED AND THIRTY-EIGHT DOLLARS (\$1,467,338.00) FOR THE PURPOSE OF BONDING 2008-2010 CAPITAL PROJECTS AND EQUIPMENT PURCHASES**

**WHEREAS**, the Durham Town Council approved Resolution 2007-32 on December 17, 2007 approving the Capital Fund Budget for 2008 with \$1,321,753 proposed for bonding or leasing; and

**WHEREAS**, the Durham Town Council approved Resolution 2008-22 on December 1, 2008 approving the Capital Fund Budget for 2009 with \$781,450 proposed for bonding or leasing; and

**WHEREAS**, the Durham Town Council approved Resolution 2009-32 on December 21, 2009 approving the Capital Fund Budget for 2010 with \$945,263 proposed for bonding or leasing; and

**WHEREAS**, the Public Works Department is in the process of performing testing and analysis on the Oyster River Dam the amount of \$88,000 is requested to be bonded; and

**WHEREAS**, the Public Works Department is in the process of replacing the Wiswall bridge the amount of \$97,528 is requested to be bonded; and

**WHEREAS**, the Public Works Department began construction on the Park Court Drainage in 2009 and anticipates completion in 2010, the amount of \$35,600 is requested to be bonded; and

**WHEREAS**, the Public Works Department will be performing drainage repairs on Cedar Point Road in 2010 the amount of \$20,250 is requested to be bonded; and

**WHEREAS**, the Public Works Department purchased a replacement snow blower in March of 2009 the amount of \$79,960 is requested to be bonded; and

**WHEREAS**, the Public Works Department has recommend an engineering firm to complete the engineering for the improvement of the Morgan Way

intersection and anticipates work to begin during the summer of 2010 the amount of \$390,000 is requested to be bonded; and

**WHEREAS**, the Public Works Department is currently awaiting bids for the improvements to the West End Sewer and anticipates construction during the summer of 2010 and/or 2011 the amount of \$511,000 is requested to be bonded; and

**WHEREAS**, the Public Works Department is anticipating purchasing a new loader for the Wastewater Treatment Facility in the spring of 2010, the amount of \$56,000 is requested to be bonded; and

**WHEREAS**, the Public Works Department has begun repairs on the wastewater lines on Meadow Road and Strafford Avenue, the amount of \$180,000 is requested to be bonded; and

**WHEREAS**, Section 5.12 of the Durham Town Charter enables the Town Council to approve the issuance of bonds or notes for less than \$1,000,000 after holding a duly advertised public hearing and further stipulates that for the purposes of borrowing, the Town of Durham shall have all the powers and duties vested with a city; and

**WHEREAS**, NH RSA 33:9 authorizes the issuance of bonds by a city, by resolution of the Council, passed by at least 2/3 of all Council members.

**NOW, THEREFORE, BE IT RESOLVED**, that the Durham Town Council, the governing body of the Town of Durham, New Hampshire hereby authorizes the Treasurer to issue bonds or notes pursuant to the Municipal Finance Act, RSA 33, in an amount not to exceed One Million, Three Hundred and Sixty-Seven Thousand, Three Hundred and Thirty-Eight Dollars (\$1,467,338.00) for the purpose of financing 2008-2010 Capital Fund Projects and Equipment Purchases.

**PASSED AND ADOPTED** by the Town Council of the Town of Durham, New Hampshire by a two-thirds vote this \_\_\_\_ day of \_\_\_\_\_ by \_\_\_\_\_ affirmative votes, \_\_\_\_\_ negative vote, and \_\_\_\_\_ abstentions.

Smith	_____	Niman	_____	Gooze	_____
Mower	_____	Carroll	_____	Cote	_____
Clark	_____	Sievert	_____	Stanhope	_____

\_\_\_\_\_  
Diana Carroll, Chairman  
Durham Town Council

**ATTEST:**

\_\_\_\_\_  
Lorrie Pitt, Town Clerk



**TOWN OF DURHAM**  
**Business Department**

15 Newmarket Road, Durham, NH 03824-2898

Tel: (603) 868-8043 • Fax: (603) 868-5572

**AGENDA ITEM # 11B**  
Gail E. Jablonski, Business Manager  
Gablonski@cdurhamnh.us

**DATE: May 3, 2010**

## **COUNCIL COMMUNICATION**

**INITIATED BY:** Gail Jablonski, Business Manager

**AGENDA ITEM:** SHALL THE TOWN COUNCIL, UPON RECOMMENDATION OF THE TOWN ADMINISTRATOR, ADOPT AN INVESTMENT POLICY, GENERAL FUND-FUND BALANCE POLICY, AND DEBT POLICY FOR THE TOWN OF DURHAM?

**CC PREPARED BY:** Gail Jablonski, Business Manager  
Jennie Berry, Administrative Assistant

**PRESENTED BY:** Gail Jablonski, Business Manager  
Todd I. Selig, Town Administrator

### **AGENDA DESCRIPTION:**

Attached for the Council's information and review are three financial policies relative to the Town's investment, general fund-fund balance, and debt that were prepared by Business Manager Gail Jablonski. Councilors were provided with copies of these policies earlier for review.

Several years ago, the Business Office discussed the creation of such policies with the Town's Auditors and has been working on them as time has allowed. Laura Spector of Mitchell Municipal Group, P.A. has reviewed the policies along with Dick Lilly, Town Treasurer.

The adoption of financial policies is a good, sound business practice that fosters confidence in the fiscal operations of the municipality. Financial policies help to provide consistency, stability, and continuity in the financial operations of the Town. Written policies also provide a framework to guide and education both newly elected officials in carrying out their fiduciary responsibilities and newly appointed staff in the conduct of their financial duties. The ability to rely on well-defined financial policies helps to resolve conflicts and avoid allegations of bias or favoritism.



RSA 41:9, VII states that "The selectmen shall annually review and adopt an investment policy for the investment of public funds in conformance with applicable statutes and shall advise the treasurer of such policies." (The Council is equated to the Selectmen in terms of acting as the governing body of the town.) Although the statutes do not specifically address fund balance and debt policies, the Town Administrator and this office believe it prudent to establish and maintain appropriate internal control procedures to ensure the safeguarding of all town assets and properties.

On Monday evening, Gail will be present to provide the Council with a brief explanation of each of these policies and answer questions from Councilors. The Council will then be asked to adopt these policies upon the Town Administrator's recommendation.

**LEGAL AUTHORITY:**

RSA 41, Choice and Duties of Town Officers

**LEGAL OPINION:**

Town Attorney, Laura Spector of Mitchell Municipal Group, P.A. has reviewed the three policies.

**FINANCIAL DETAILS:**

N/A

**SUGGESTED ACTION OR RECOMMENDATIONS:**

**MOTION:**

*The Durham Town Council does hereby adopt, upon recommendation of the Town Administrator, an Investment Policy, General Fund-Fund Balance Policy, and Debt Policy for the Town of Durham.*

**TOWN OF DURHAM, NH**  
**INVESTMENT POLICY**

**I. SCOPE**

This investment policy establishes a framework for the safe and prudent investment of public funds. It applies to all financial assets in the custody of the town treasurer of the Town of Durham, NH. These funds are accounted for in the Town's annual financial report and include the following:

- General Fund
- Special Revenue Funds
- Capital Project Funds
- Forfeiture/Seizure Funds
- Any new fund created by the Town Council unless specifically exempted by the articles of its creation.

**II. OBJECTIVES**

The primary objective of the Town of Durham's Investment Policy is to set forth appropriate investment activities that provide for, first and foremost, the safety of principle, as well as sufficient liquidity to support operations while generating a reasonable investment yield.

The specific investment policy objectives are as follows:

- To ensure the preservation of capital and the protection of investment principal;
- To maintain sufficient liquidity to meet operating requirements;
- To satisfy all legal requirements;
- To attain market-average rate of return on investments taking into account risk and legal constraints and cash flow considerations.

**III. DELEGATION OF AUTHORITY**

In accordance with Chapter 41:29 of the Revised Statutes Annotated (RSA), of the State of New Hampshire, the responsibility for conducting investment transactions resides with the Town Treasurer, *except in the instance of capital reserve funds or trust funds, when the responsibility for conducting investment transactions reside with the Trustees of the Trust Funds in accordance with RSA 35:9.*

No person may engage in an investment transaction except as provided under the terms of this policy and the internal procedures and controls hereby established.

**IV. PRUDENCE**

The investment policy will be conducted in accordance with the "prudent person" standard which requires that:

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their

## TOWN OF DURHAM INVESTMENT POLICY

own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The Town recognizes that investment risks can result from issuer defaults, market price changes or various technical complications leading to temporary non-liquidity. The Treasurer is expected to display prudence in the selection of investments in a way to minimize default risk.

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict (or appear to conflict) with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

### V. INTERNAL CONTROLS

The internal controls for the Town of Durham shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, imprudent actions by employees and officers of the Town.

In accordance with RSA 41:6 Bonds, Town Treasurers shall be bonded by position under a blanket bond from a surety company authorized to do business in the state.

All depository accounts of the Town must be held in the name of the Town. All income payable to the Town and all revenue received by the Town shall be forwarded to the Town Treasurer.

### VI. INVESTMENT INSTRUMENTS

The treasurer shall deposit all such moneys in participation units in the public deposit investment pool established pursuant to RSA 383:22 or in federally insured banks chartered under the laws of New Hampshire or the federal government with a branch within the state, except that funds may be deposited in federally insured banks outside the state if such banks pledge and deliver to a third party custodial bank or the federal reserve bank collateral security for such deposits of the following types:

- (a) United States government obligations;
- (b) United States government agency obligations; or
- (c) Obligations of the state of New Hampshire in value at least equal to the amount of the deposit in each case.

Whenever the town treasurer has in custody an excess of funds which are not immediately needed for the purpose of expenditure, the town treasurer shall invest the same in the public deposit investment pool established pursuant to RSA 383:22, or in deposits, including money market accounts, or certificates of deposit, or repurchase agreements, and all other types of interest bearing accounts, of federally insured banks chartered under the laws of New Hampshire or the federal government with a branch within the state, or in obligations fully guaranteed as to principal and interest by the United States government. The obligations may be held directly or in the form of securities of or other interests in any open-end or closed-end management-type investment company or investment trust registered under 15 U.S.C. section 80a-1 et seq., if the

TOWN OF DURHAM INVESTMENT POLICY

portfolio of the investment company or investment trust is limited to such obligations and repurchase agreements fully collateralized by such obligations.

**VII. POLICY REVIEW**

This policy shall be reviewed at least annually by the Council, or its designee, with changes made as warranted, followed by re-adoption by the governing body.

The Council reserves the right to implement changes to this policy without prior notice if it is deemed in the Town's best interest.

Adopted by the Durham Town Council on May 3, 2010

\_\_\_\_\_  
Todd I. Selig  
Town Administrator

\_\_\_\_\_  
Date

DRAFT

**TOWN OF DURHAM, NH**  
**GENERAL FUND - FUND BALANCE POLICY**

**I. PURPOSE AND SCOPE**

The general purpose of this policy is to ensure the Town of Durham's financial stability by protecting itself against emergencies and economic downturns. This policy is also designed to help the Town prepare for a financial emergency as well as contribute to the continuity of financial operations. This policy encompasses the minimum required fund balance reserves, as well as the allowable uses of fund balance reserves.

**II. DEFINITIONS**

*Fund Balance:* The accumulated equity balance in a governmental fund resulting from operations over the years. This is the difference between fund assets and fund liabilities.

*General Fund:* A fund used to account for basic governmental services supported mainly by tax revenue. Accounts for all financial resources not required to be accounted for in another fund.

*Undesignated Fund Balance:* The fund balance, excluding all reserves and any other balances dedicated for another purpose.

**III. FUND BALANCE RESERVES - GENERAL FUND**

Fund Balances recommended by the NH Department of Revenue Administration (DRA) and the Government Finance Officers Association (GFOA) are as follows:

If All Appropriations and Tax Commitments Total:	Undesignated Fund Balance DRA Recommended:		Undesignated Fund Balance GFOA Recommended:	
	5%	10%	8%	17%
\$25,000,000	\$1,250,000	\$2,500,000	\$2,000,000	\$4,250,000
\$30,000,000	\$1,500,000	\$3,000,000	\$2,400,000	\$5,100,000
\$35,000,000	\$1,750,000	\$3,500,000	\$2,800,000	\$5,950,000
\$40,000,000	\$2,000,000	\$4,000,000	\$3,200,000	\$6,800,000
\$45,000,000	\$2,250,000	\$4,500,000	\$3,600,000	\$7,650,000
\$50,000,000	\$2,500,000	\$5,000,000	\$4,000,000	\$8,500,000

## GENERAL FUND - FUND BALANCE POLICY

*Minimum Target Balance:* The Town shall work toward maintaining an undesignated fund balance of at least 5% to 8% of the general fund's annual budget, including Town, School and County appropriations.

*Plan for Target Balances:* The undesignated fund balance target level shall be achieved by conservatively estimating revenues and using only minimal amounts to reduce the tax rate when necessary. Furthermore, attaining the target fund balance level of 8% may also be achieved by adding a line item to the annual budget for the sole purpose of building fund balance, if it is determined appropriate to do so.

*Fund Balance Uses:* Undesignated fund balance may be used to offset property taxes as part of the final adopted budget for a fiscal year keeping in consideration the Town's desire to maintain a targeted fund balance level of 5% to 8%. For emergency purposes, or other uses as deemed necessary, the Council may appropriate undesignated fund balances even if such use decreases the fund balance below the designated percentage.

Adopted by Durham Town Council May 3, 2010

DRAFT

**TOWN OF DURHAM, NH**  
**DEBT POLICY**

**I. PURPOSE AND SCOPE**

The Town will consider the use of debt financing for one-time capital improvement projects and assets when the project's useful life or the projected service life of the asset will equal or exceed the term of the financing.

Debt financing, excluding the use of Tax Anticipation Notes (TAN's), is not considered appropriate for any recurring purpose such as current operating and maintenance expenditures.

**II. GENERAL POLICY**

A) The Town may use the following criteria to evaluate long-term debt financing in funding capital improvements:

1. Revenues available for debt service are considered sufficient and reliable.
2. Market conditions present favorable interest rates and demand for municipal financing.
3. A project is mandated by state or Federal requirements and current revenues and
4. fund balances are insufficient to pay project costs.
5. A project is immediately required to meet or relieve capacity needs.
6. The life of the project or asset financed is five years (5) or longer.
7. A project's long term benefits require that costs be shared by current and future
8. users and outweigh the additional costs as measured on a present value basis.

B) Total indebtedness is restricted by RSA 33:4-a & b to an amount at any one time not to exceed 3% of the last locally assessed valuation of the municipality as last equalized by the commissioner of revenue administration.

C) A debt analysis will be prepared by Town staff for each long-term financing. The analysis will assess the impact of debt issuance on current and future operating and capital budgets and address the reliability of revenues to support debt service payments.

D) The Town will generally conduct financing on a competitive basis; however, negotiated financing or low interest programs, such as the NH DES Revolving Grant Program, may be used where the use of an unusual or complex financing or security structure is a concern with regard to marketability, or it is more cost effective to negotiate with a sole source.

E) The Town will monitor and report all forms of debt annually.

F) The Town will monitor compliance with bond covenants and adhere to Federal arbitrage regulations.

G) The Town will follow a policy of full disclosure on every financial report and bond prospectus voluntarily following disclosure guidelines provided by the Government Finance Officers' Association (GFOA), unless the cost of compliance with the higher standard is unreasonable.

Adopted by Durham Town Council May 3, 2010.