

# LONDONDERRY TOWN COUNCIL MEETING MINUTES

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## **Londonderry Town Council Meeting Minutes June 20, 2022**

The meeting took place in the Moose Hill Council Chambers, 268B Mammoth Rd, Londonderry, NH 03053.

Present: Chairman John Farrell; Vice Chairman Joe Green; Councilor Jim Butler, and Deb Paul; Town Manager Michael Malaguti; Assistant Town Manager Lisa Drabik; Executive Assistant Kirby Brown  
Absent: Councilor Chad Franz

### **CALL TO ORDER**

Per RSA 91-A:3 II, (a), (b), (c) and (e), the Council came out of non-public session. Chair voted to come out of non-public in a roll call votes; Councilor Deb Paul, Vice Chairman Joe Green, Chairman John Farrell, and Councilor Jim Butler. Chair votes 4-0-0.

Vice Chairman Joe Green motioned to seal the minutes, seconded by Councilor Jim. Chair voted to seal the minutes in a roll call votes; Councilor Deb Paul, Vice Chairman Joe Green, Chairman John Farrell, and Councilor Jim Butler. Chair votes 4-0-0.

Chairman Farrell called the Town Council meeting to order at 7:00 PM. This was followed by the Pledge of Allegiance. This was followed by a moment of silence for all of those first responders who protect this community and country.

### **PUBLIC COMMENT**

Ann Chiampa, 28 Wedgewood Drive, noticed that the tree that was out by Town Hall is now gone. Chiampa asked what happened to it. Town Manager Malaguti stated that in consultation with the DPW Director, it was determined that the tree was making it difficult for the grass to grow in the area.

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## PUBLIC HEARING

- 34
- 35
- 36 Motion to open public hearing made by Vice Chairman Green and seconded by Councilor  
37 Butler. Chair votes 4-0-0.
- 38
- 39 Chairman Farrell introduced Ordinance #2022-05, an Ordinance creating the Londonderry  
40 Commercial and Industrial Tax Incentive Program, continued from previous meetings.  
41 Chairman Farrell stated that the idea behind this Ordinance is the fact that there are limited  
42 tools in New Hampshire to be able to drive tax revenue. Chairman Farrell stated that what  
43 he hears from the community, is that people want tax relief. Town Manager Malaguti  
44 presented. Town Manager Malaguti shared with the Council how its been used in other  
45 communities, such as Milford. Malaguti stated that he has supplied, in the materials, all the  
46 details of how it was done in Milford. Malaguti stated that there are 19 municipalities who  
47 have adopted the program and eighteen entities using the program.
- 48
- 49 Vice Chairman Green thanked Malaguti for making the changes the Council requested.
- 50
- 51 Councilor Paul referred to the backup Malaguti supplied, Councilor Paul stated that out of  
52 the seventeen, there are twelve that are actually taking advantage of it and under that list  
53 Derry has not adopted it. Malaguti stated that the report is from the 2020 tax year prepared  
54 off of the MS-1, Malaguti stated that the MS-1 doesn't hit at the end of the tax year.  
55 Malaguti stated that Derry adopted the ordinance following the preparation of the MS-1.  
56 Malaguti stated that LaBell Winery is not the only taxpayer taking advantage of the  
57 program in Derry. Councilor Paul stated that she believes this program is still put in place  
58 to benefit Woodmont. Malaguti stated that this is not just for Woodmont, it is now  
59 available for everyone.
- 60
- 61 Tony DeFrancesco, Cheshire Ct, stated that he watched the last meeting. DeFrancesco  
62 stated that all this is a tool, and if you move it forward there's an opportunity for the  
63 Council to say yes or no when a business comes in to present. DeFrancesco stated that it  
64 doesn't cost anything to have this on the books. DeFrancesco stated that revenue is the  
65 only chance Londonderry has.
- 66
- 67 John Wilson, 3 Tranquil Drive, stated that the bubble real estate market is going to break.  
68 Has anyone looked at the "what it's" of this program. Wilson suggested tabling this and

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69 pushing it out for when the town is in collapse mode.

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71 Steve Hamilton, Londonderry Assessor, stated that he wanted to answer the question  
72 about what types of properties we will anticipate, if it's available. This exemption program  
73 won't apply to existing buildings. Hamilton stated that properties like the FB Webb  
74 building. Hamilton stated that this would only be about the new value that would come  
75 with a developer who would build something with lasting value. Another example would  
76 be the UPS building at \$41M property.

77

78 Councilor Paul asked Town Manager Malaguti if the town can have a detailed form an  
79 application.

80

81 Motion to approve Ordinance #2022-05 made by Vice Chairman Green and seconded by  
82 Councilor Butler. Chair votes 3-1-0. Councilor Paul voted against.

83

84 Chairman Farrell introduced the acceptance of unanticipated revenue under RSA 31:95-b  
85 for the sensory playground. Finance Director Justin Campo presented. Campo stated that  
86 there are two separate Resolutions. Once is for the sensory playground and the second is a  
87 Grant.

88

89 Motion to approve Resolution #2022-12 made by Vice Chairman Green and seconded by  
90 Councilor Paul. Chair votes 4-0-0.

91

92 Motion to approve Resolution #2022-13 made by Vice Chairman Green and seconded by  
93 Councilor Paul. Chair votes 4-0-0.

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95 Motion to close the public hearing made by Vice Chairman Green and seconded by  
96 Councilor Paul. Chair votes 4-0-0.

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### **NEW BUSINESS**

99

100 Chairman Farrell introduced Order #2022-13, an Order relative to the expenditure of  
101 Maintenance Trust Funds for various projects. Town Manager Malaguti presented.  
102 Malaguti stated that this is for HVAC units #12 and #13 in Town Hall that went down.

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103 They needed to be serviced for a leak. Motion to approve Order #2022-13 made by Vice  
104 Chairman Green and seconded by Councilor Paul. Chair votes 4-0-0.

105

106 Chairman Farrell introduced Order #2022-14, an order relative to the expenditure of  
107 Reclamation Trust Funds. John Trottier, Director of Engineering and Environmental  
108 Services, presented. This is for recycling carts and parts. Motion to approve Order #2022-  
109 14 made by Vice Chairman Green and seconded by Councilor Paul. Chair votes 4-0-0.

110

111 Town Assessor, Steve Hamilton, presented to the Council about the elderly tax exemption  
112 eligibility criteria. Chairman Farrell stated that when the Council just did the exemption  
113 for the veterans, the seniors came forward and asked what can be done for them. Hamilton  
114 went over the exemption for a single and married person, as well as assets. Hamilton  
115 stated that the amount of the exemption per category was discussed last fall. They were  
116 adjusted with the revaluation that occurred last year. Hamilton went over the income  
117 limits, which can be found online under the Assessing page. Hamilton stated that he has  
118 looked at all of the factors from cost of living, to social security.

119

120 Town Manager Malaguti stated that we are looking at expanding the eligibility  
121 requirements and we know who is receiving this exemption now so it can be projected out  
122 what the total cost will be. Malaguti stated that the town doesn't track people's income or  
123 asset levels.

124

125 Councilor Paul asked if this was in line with the state's other qualifications for other  
126 assistances.

127

128 John Wilson, 3 Tranquil Drive, stated that there are more and more seniors in town and  
129 there needs to be a procedure to take.

130

131 Chairman Farrell stated that all of the abatements were signed by the Council tonight.

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133 Chairman Farrell introduced the first reading of Ordinance #2022-06, an amendment to  
134 Title IV, Public Health, Safety and Welfare, Chapter VIII, Animal Control.

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137 Councilor Paul asked what changed in the Ordinance, it's not outlined. Town Manager  
138 Malaguti stated that he would get Councilor Paul a cleaned red-lined copy.

139

140 Motion to waive the first reading and schedule a public hearing for July 11<sup>th</sup> made by Vice  
141 Chairman Green and seconded by Councilor Butler. Chair votes 4-0-0.

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143 Town Manager Malaguti and Assistant Town Manager Drabik gave a presentation on  
144 strategic goals. Town Manager Malaguti stated that earlier this year, the Town Council  
145 requested to hear from Department Heads about their strategic goals. Town Manager  
146 Malaguti stated that goals change and this is not set in stone. Town Manager Malaguti  
147 went over the goals and welcomed the Councils input.

148

149 Councilor Paul gave an update on the Energy Committee and what the Committee has  
150 been up to.

151

### APPROVAL OF MINUTES

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153  
154 Motion to approve the Town Council minutes from June 6, 2022 as amended made by  
155 Councilor Paul and seconded by Councilor Butler. Chair votes 3-0-1. Vice Chairman Green  
156 was absent last meeting.

157

### ADJOURNMENT

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159  
160 Motion to adjourn made by Vice Chairman Green and second by Councilor Butler. Chair  
161 votes 4-0-0.

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163 Notes and Tapes by: Kirby Brown Date: 6/20/2022

164 Minutes Typed by: Kirby Brown Date: 6/30/2022

165 Approved by: Town Council Date: 7/11/2022



Office of the Town Manager  
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## **STRATEGIC PRIORITIES (2022)**

Earlier this year, the Town Council requested to hear from department heads as to what the department heads see as significant short-term and medium-to-long-term goals for their departments. The Finance and Police Departments presented to the Council on April 11. Following that meeting, we determined a slight modification was in order. Because many of the issues discussed were operational and did not rise to the level of Council involvement, we instead pivoted to internal meetings with each department head in order to discuss the current state of each department as well their future visions. Following these meetings, we identified select goals requiring significant Council support and present them below.

We welcome the Council's input.

### **1. Water Infrastructure**

We have been working with the Department of Environmental Services on an almost weekly basis to mitigate PFAS contamination and expand the availability of safe, reliable water throughout town. We have obtained several grants, as well as voter support for these efforts.

In the last several weeks, DES and our engineering consultants have advised that Phase 1 of Londonderry's project is anticipated to cost between \$50 million and \$55 million. Phase 1 would extend supply into the heart of Londonderry down High Range Road, and connect residences on High Range Road along the route to public water. Phase 2 of the project would build the system out into many neighborhoods, may require interconnection with an existing water supply in Litchfield and the construction of water towers in the southwest part of town, and would cost approximately \$150 million.<sup>1</sup> This would be the largest capital project ever undertaken in Londonderry, by many

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<sup>1</sup> If the Town were to incorporate sewer infrastructure improvements into the project, the cost would increase.

orders of magnitude. It will go nowhere without Council and voter support. Although money from third parties such as the state and Saint Gobain may significantly defray the cost of the overall project, Londonderry's cost share is still expected to be very significant.

Both DES and our engineering consultants are still working on the initial studies which will ultimately provide the necessary details about what such a project might look like. Our goal in the immediate term is to identify all available financial resources to support the project, and once the project scope details are ready, to educate the Council and the public on the parameters of this project. Ultimately, it will be up to the Council and the public whether to support this project. Whether Londonderry chooses or declines to pursue this project, it will require a significant investment of staff and financial resources to get to the point of decision.

## **2. DPW Facility**

The DPW facility on High Range road is long overdue for an overhaul. While the staffing quarters where employees have their meals and locker facilities were upgraded in the recent past, the facilities where employees work and store expensive equipment are seriously substandard. We encourage all members of the Council and the public to schedule a site visit to the DPW facility, if you have not already seen it.

It would be premature to discuss the scope and cost of this work, but it will require a significant capital investment and will take many years to plan, develop support, and complete. Some needed improvements are: indoor vehicle storage to prolong vehicle life; modernized garage and workshop facilities to improve health, safety, and efficiency for DPW employees; actual equipment and materials storage facilities as opposed to old trailers and improvised structures; an enclosed salt shed to put all materials under cover; and a safe and efficient wash bay for vehicles.

The first step in pursuing this project is to discuss it as part of the Capital Improvement Program (CIP) process. It will ultimately require Council and voter support, and is a 5-10 year project that is in its infancy.

## **3. Economic Development**

### **a. Pass Construction and Rehabilitation Tax Exemption**

The Construction and Rehabilitation Tax Exemption (RSA 72:80) is one of a handful of economic development tools the state authorizes municipalities to adopt. It came before the Council late last year, and was ultimately tabled. Recently, in consultation with the Town Council and based in response to residents' input, I proposed a narrower improved exemption to the Council, where it remains pending.

The exemption is intended to attract large businesses to Town with a tax exemption of up to five years and up to 50% on the increased value attributable to new construction or improvements. As the exemption reduces taxes only on new, increased value, there can be only a positive effect on the tax base. This initiative is intended to assist in stabilizing the shift in the tax base from commercial to residential and ultimately is designed to help residential taxpayers.

### **b. South Londonderry Sewer Capacity**

At the present time, Londonderry is sending all of its sewer flowage in south Londonderry to the Derry Waste Water Treatment Plant as we do not have our own plant. Unfortunately, Londonderry is contractually limited to send a maximum of 500,000 gpd to the Derry Plant under a recently-renegotiated agreement with Derry. Planned development in south Londonderry is projected to require about 1,000,000 gpd of flow. Accommodating this demand is of prime importance to the orderly development of the Route 102 corridor.

The solution is a sewer pump station to accommodate approximately 500,000 gpd of flow, which will redirect certain flows from the Derry Waste Water Treatment Plant to the Manchester Waste Water Treatment Plant. The project also entails construction of 7,500 linear feet of sewer force main and 1,900 linear feet of gravity sewer in order to connect with existing sewer infrastructure leading to the Manchester Waste Water Treatment Plant. This project will also facilitate faster development of the Exit 4A area on the east side of Interstate 93.

We have pursued funding for this project through multiple sources. First, we sought a direct federal appropriation through Rep. Pappas and Sen. Shaheen's offices. Rep. Pappas has elected to support the project, and has been submitted to the House Appropriations Committee for review. Sen. Shaheen has also supported the project, and submitted it to the Senate Appropriations Committee for review. Second, we are pursuing a Clean Water State Revolving Fund award. Lastly, we are negotiating with Woodmont Commons to contribute to the project.

### **c. Widen Pettengill Road**

When Pettengill Road was designed and built, it was recognized a four-lane road would be required one day to accommodate increased traffic as the area developed. The road bed and drainage structures were built for a four-lane road, but Phase 1 of the project resulted in the construction of only two lanes. Based upon consultations with DOT, the time to widen Pettengill Road is drawing near.

The project will add two lanes to Pettengill Road. Through a TIF district, the Town was able to fund and complete the first phase of Pettengill Road, constructing the one-mile road with one lane in each direction. The project has proven to be an economic success, resulting in the construction of nearly 2.5 million square feet of new industrial development. In order to facilitate the full buildout of this area and expand capacity, widening Pettengill Road to four lanes will soon be necessary.

We also pursued a direct congressional appropriation for this project, which Sen. Shaheen has supported and submitted to the Senate Appropriations Committee for review.

#### **d. Review and Improve the Planning Board Site Plan and Subdivision Regulations**

We intend to review and propose any required improvements to the Planning Board's<sup>2</sup> Site Plan and Subdivision Regulations, as it has been decades since a comprehensive review was undertaken. As an example, the historical practice has been to require full "as built" plans for the most minor of site plan amendments, and to deny administrative approval if there are any nonconformities present on a site. A better approach might be to require "as built" plans in appropriate cases, and require the rectification of existing nonconformities only if there is a reasonable connection to the nature of the amendment.<sup>3</sup> We believe there may be other, similar provisions that sometimes frustrate common sense development. Updating our regulations and rectifying identified issues will support and improve economic development.

#### **4. Improve Standardization and Financial Oversight**

We are in the process of identifying areas over which we can increase financial oversight and standardization and ensure that the appropriate internal controls are in place. By way of example, due to the complexity of the schedules and payroll codes associated with the work of police officers and firefighters, it has been difficult to synch their internal department timekeeping methods with the basic web-based timekeeping system used by Town Hall employees. This is a work in progress and one of our priority goals.

We also intend to continue our work (already in progress) to identify and eliminate unnecessary spending. In my first month as Town Manager, I directed departments to curtail discretionary spending. We have identified telephone lines that are not being used and for which service can be cancelled. We requested departments minimize vehicle idling time in order to reduce the use of fuel and the hours on the vehicle's engine. We have put more acquisitions out to bid than ever before, and worked to increase our bid visibility by including bids on the Town website, all to the benefit of the taxpayers. Departments have been instructed to work with the Finance department to review line items to determine if there is any potential way to lower costs while providing the same level of service. And we have strictly enforced the Purchasing Policy.

We will continue to search for other similar opportunities to save the taxpayers money, and intend to continue to exercise strong financial oversight to achieve this goal.

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<sup>2</sup> The Planning Board has authority to amend (or decline to amend) subdivision and site plan regulations RSA 674:43, - 44.

<sup>3</sup> Violations can always be addressed through the enforcement process.