

**City Council Work Session
December 10, 2018**

Present were: Mayor Grenier, Councilors Theberge, Remillard, Higbee, Gentili, Berthiaume, Rozek and Otis; Councilor Morgan Allain was excused.

Others present: City Manager Jim Wheeler, City Clerk Shelli Fortin, Community Development Director, Pamela Laflamme, Claire Stiles, School Superintendent Corinne Cascadden, Finance Director Patty Chase, Representative Henry Noel, Public Works Director Eric Grenier, Planning Board Member Laurie Langlois, Fire Chief John Lacasse, Sylvia Poulin, Kelly Poulin, Maureen Patry, Damon Frecker Burgess Biopower Chuck Henderson from Senator Shaheen's Office, Brian Bresnahan from Representative Kuster's Office, Ben Belanger from Senator Hasaan's Office, Patty Berry, Sandy Adams, Barbara Tetreault, *Berlin Daily Sun*, and public.

Mayor Grenier opened the meeting at 6:30 p.m. welcoming Dan Wilson from Wilson Engineering who did the Snow Melt study. He acknowledged Damon Frecker, Burgess Biopower and representatives from the Congressional delegation. Mr. Wilson will review the results of the study and data relating to the use of steam available from Burgess Biopower.

Mr. Wheeler stated that the City would not have studied this concept if we did not have a good relationship with Burgess. There are savings and revenue that are implicated for Burgess with a snow melt system. The company has pledged to use the revenue to operate the system. Mr. Wheeler played a short video from Holland Michigan showing how no salt or sand is needed that allows for snow free pedestrian conditions. The system has the capacity to heat buildings as well.

Snow Melt Study – Wilson Engineering

Mr. Dan Wilson thanked the Berlin Public Works Department and Burgess Biopower for the data necessary to get the study done. The study was done in two phases with the first being the energy sources and the second phase is the evaluation of a snow melt system.

The firm looked at using a stand alone wood energy plant to generate heat or to use Burgess Biopower. Investment was significantly higher with the stand alone plant and operating costs are much more as well. With that information, the focus was to use Burgess as the source of heat.

The scope of the snow melt project is to bring heat to the sidewalks and roadways of Main and Pleasant Streets as well as the public parking places. A pump house would be built at Community Street. There is enough room for a pump house, back up boilers and room for expansion. Boilers are used for back up and for temperature boosting. There is also an emergency generator to have constant, consistent melting. Pipes are upsized in the project, ready for future expansion.

Mr. Wilson went on to say that waste heat is available 24/7 and the snow melt system would only use 7% of available heat. Historical data of snow management in the City was analyzed to include the costs of snow plowing, snow removal, and spring cleanup. Plowing costs \$12,650 per year, snow removal \$100,760, and clean up \$4,310. This is money and staff time that would be available for something else if it were not spent on downtown snow. There would be the opportunity to access schools immediately. Impacts of salt and sand in the downtown would be minimized.

With regard to the performance of the snowmelt system, Wilson Engineering polled snowfall data from 2008 to 2017. In most years there are several snow events of under 5 inches. These would take no time to melt away in the snow melt areas. There are a number of storms where it may take four hours for all snow to melt. The system can be built so that the temperature can be boosted to lessen the time. The system can do quite well melting the snow.

Costs and Benefits - A new streetscape for the downtown and Pleasant Street would cost approximately \$4.3 million and the snow melt system would cost an additional \$8.3 million. It would cost \$3.7 for fixed costs which include the pumping stations and getting the system across the river. The additional \$4.6 million could be increased or decreased by the amount of street that is covered.

The snow melt system would cost approximately \$75,000 per year to operate, including staff, checking on the plant and wear parts. The City would save \$115,000 annually by avoiding snow management in the downtown. The project would generate 21000 thermal renewable energy credits and it provides opportunity for low cost heating for any new building construction or renovations. Any new building in the downtown would have the opportunity to use and capture heat at .1 per kilowatt.

In Holland Michigan the performance of snow management has improved parking, traffic, sidewalks, and pedestrian safety. It promotes activity in the downtown area and is being used as an economic driver. It has reduced the effort for maintenance and increased the life for roads and sidewalks. With the snow melt system, there is not the freeze /thaw that compounds deterioration.

Funding Approach - Looking at funding options, there is a BUILD grant that is a federal DOT program that focuses grant funding on rural and economic development components as well as safety, environmental issues. Berlin's project would mesh well with this funding opportunity. There is also \$1 million available from the NH Renewable Energy Fund and USDA Rural Development has loan and grant money available that could be amortized over time. Private public partnerships can fund 39% tax credits for investors. There is also the USDA Rural Energy for America Program and Berlin is in an opportunity zone as well. This is a technically viable project with many benefits; however it clearly carries significant initial investment. Mr. Wilson asked if there were questions.

Councilor Rozek commented that the cost for maintenance with temperature boost is almost a wash with the projected savings. If heating were utilized in the schools, it would be a major cost savings for the City.

Mr. Wheeler noted that the projected \$75,000 cost to operate the plant is a cost that Burgess will pick up. They would have a full time person doing plant management half time and employ that person in another capacity half time. The revenue from energy credits would pay for that. The snow melt would have no expense to the city and an annual savings. Councilor Remillard asked if it was determined what it would cost to put heat into buildings along Main Street i.e. City Hall, Fire, Library. Mr. Wilson indicated that it is expensive to alter a steam system to hot water but new construction could take advantage of the heating. An existing building would have to be renovated to accept the heat. If there is a new building, they should be encouraged to use low temp hydronic heat and that would make a conversion easier.

Sandy Adams, a citizen from the audience stated that Holland, Michigan has 33,400 people and there are 200 businesses in the downtown. She said it is apples and oranges to compare to Berlin. She wanted to know where the money is coming from for Berlin. Holland's average snowfall is 1 inch; we

get more snow than that and what happens when we get 10 inches; will we end up plowing anyway. Mr. Wilson explained that we don't want to pay \$8.3 million for this and it's possible that it could get funded along with a project to develop the streetscape. The BUILD grant is set up for rural communities and they pay for things that need to be done anyway.

Patty Berry stated that ten years ago the City said they would repair the roads, now the focus is only on Main and Pleasant Streets. She feared that taxes will go up. Mayor Grenier voiced that this meeting is to hear the technical aspects of the project and there has been no decision made on carrying out the project. We know we can't afford to do this on our own. Ms. Berry stated that when there are problems with the system, the taxpayer will pay.

Henry Noel asked how Holland dealt with existing utility systems in the road. Mr. Wilson stated that they created zones with valves so that the system can be closed off in sections if necessary. Mr. Wheeler stated that we will try to package a project so that the streetscape in the downtown gets paid for by grant and that it is kept off the tax rate.

Mr. Wilson concluded by stating that getting the pipe over the river is a fixed cost; however the expanse of street can be changed to adjust for total cost. Mayor Grenier added that the City's proposal for the Ten Year Transportation Plan scored well and that has some potential. We are looking at all avenues for funding. This concluded the Snow Melt presentation and with the exception of department heads, people from the audience left the meeting at this time.

Mayor Grenier asked if it would make economic sense to make the downtown a TIF district.

Capital Improvement Plan

Mr. Wheeler reported that the CIP contains all projects from departments, including schools, police, etc. that have been thought of. There is \$5.1 million of projects in the general fund for 2020. This plan has been approved by the Planning Board. All projects in 2020 will be put into the budget and the Council will discuss each in the budget process. The numbers in the plan are estimates. Mr. Wheeler called attention to project # 48.1 which will address the New City Cemetery that was built on bark. There is a possibility that funds may come from the Cemetery Trustees. All of these projects will appear in the City Manager's budget and it is likely that \$5.1 million will be pared down to \$500,000.

Mr. Wheeler stated that the Fire Department has capital needs for a pumper and the lease purchase for ladder one. Public works has a project to refurbish loaders. Councilor Rozek commented that the AVRRDD had the newer version of loader and it needed a lot of repair. Refurbishing the older model machine will be better.

Councilor Rozek moved to approve the Capital Improvement Plan as presented; Councilor Higbee seconded and the motion carried. Mayor Grenier said that the needs of the city are known and both the Council and the public are aware. The City has limited resources and it will be up to the Council to prioritize where the resources go. The details will come at the budget hearings.

Proposed Agreement with Dominos for Filling Potholes

Mr. Wheeler reported that Dominos uses pothole filling as a marketing tool and local people have gotten busy voting for Berlin to have potholes filled. Domino's wants to give Berlin \$5,000. Mayor Grenier asked how they prioritize what will get done. Eric Grenier noted that they want us to take pictures, and show that we spent the money on potholes. It is a cash donation and we have to agree to

allow them to use Berlin in their marketing campaign. Mr. Grenier stated that he will look to get a closing date of November 19, 2019 so that pavement can be used rather than cold patch.

Councilor Rozek commented that in general, he would like to see potholes on the main thoroughfares filled within four weeks of when the ground thaws.

Mr. Wheeler said that a resolution will come to the next meeting to accept the \$5,000 donation for filling potholes. Councilor Rozek moved with a second from Councilor Berthiaume to accept the donation from Domino's and to bring a resolution forward to appropriate the funding. So moved, the motion carried.

Non-Public Session

Councilor Theberge with a second from Councilor Higbee moved to enter into non-public session per RSA 91-A:3II(d) land matters. All voted in favor by roll call.

Councilor Rozek moved to come out of non-public session; Councilor Higbee seconded and the motion carried unanimously.

Councilor Rozek moved with a second from Councilor Theberge to seal the minutes of the real estate transaction as releasing them would render the proposed action ineffective. So moved, the motion carried unanimously by roll call.

Councilor Rozek moved with a second from Councilor Higbee to adjourn. The meeting ended at 8:20 p.m.

Respectfully Submitted,
Susan Tremblay
Administrative Assistant

Minutes are unofficial until they have been accepted by the City Council by motion.