Town of Hooksett
Tax Increment Financing District Advisory Committee
Date: 10/16/2019
Town of Hooksett Municipal Building,
35 Main Street, Hooksett, NH, Council Chambers, 1st Floor

Time: 3:00 PM
Minutes

CALL TO ORDER@ 3:04

PLEDGE OF ALLEGIANCE:

ATTENDANCE: David Boutin – Chair, Mike Somers – Vice Chair, David Scarpetti, Russ Letendre – Secretary, Alden Beauchemin,

STAFF & OTHER DEPARTMENTS: Nicholas Williams – Town Planner, Andre Garron – Town Administrator, Bruce Thomas – Town Engineer, Jon Duhamel – Town Assessor, David Mercier Underhill Engineers, Frank Kotowski, Bruce Kudrick – Hooksett Sewer, Mike Heidorn Hooksett Village Water

EXCUSED:

APPOINTMENTS:
Mark Vigneault, Supreme Ind., #47 Hackett Hill Road.
Here to discuss options for sewer infrastructure at Hackett Hill, exit 11
Mark V I want to propose possible ideas for sewer to service the lot we want to develop and would like to hear what the plans are for exit 10 and the pump house at Tri City and north to exit 11 (Zone 3)
David B What is your contribution?
Mark V it depends on what moves forward with this committee. We may put sewer lines in that the town could use. We need to see what may come first the exit 10 area or exit 11?
David B what kind of development are you planning?
Mark V we are planning on commercial development
David B Mixed use?
Mark V possibly
David B we won’t be deciding until Jan 6th. I strongly advise that you meet with the Sewer Commission and discuss your plans and ideas. Stay for the rest of this meeting so you can hear what the engineering report for zone 3 has to say.

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APPROVAL OF MINUTES 9/25/2019: Motion to approve made by David Scarpetti, 2nd by Alden Beauchemin. 4 approved David Boutin abstained, not in attendance, 9/25

Advisory Committee Discussion:

Sewer/3A TIF, Zone #3: David Mercier of Underwood Engineering and Bruce Thomas Town Engineer:

Bruce Thomas we have set time frames for the Town to receive the final engineering study report on Dec 18th and we will provide a copy to TIFAC. The next meeting for TIFAC to review and make a recommendation would be Jan 6th then get your recommendation for Town Council to discuss at the Jan 22nd. Tonight we need to decide the phase you want to complete 1st.

David M Zone 3 is the area closest to the northern end of the TIF toward exit 11. It has 2 segments. From the zone 2 area down 3A to the ice arena, that southern portion of zone 3 would serve 62 properties 10,000.00 feet of pipe and cost approximately $8.27M. Zone 3 north

David S how deep is the pump station?

David M it is driven by what your goal is for future development in this area that would determine the depth and cost savings. If it is deeper then we could service more residential. If you have no plans for residential sewer then it can stay more shallow.

Russ L the $8.27M is that the price for the deep station?

David M yes

Alden B how many residential neighborhoods

David M there is a fairly significant stream that cuts off the neighbors and that adds difficulty. It is a natural barrier that cuts off the pipe. (Just north of Scott Ave)

David B we can’t go under that stream?

David M it’s possible to go under but if you want to remain as a gravity feed you would have to use what is referred to as a cypher draw and typically they don’t like using that, so that would be natural stopping point. North of the stream would go to Tri Town and south would go to zone 2.
David M Zone 3 north we would build sewer on the northern most end at the Hackett Hill intersection and low on 3A down the river side to Tri Town. Rather than going up Hackett hill we propose to cut cross country from 47 Hackett Hill and then under the highway through DOT property down 3A, that way we are make connection to potential commercial properties. $4.16M

Mike S clarify, in zone 3 south what portion of the cost is the pump station and is that the deep station?

David M it is the deep station @ $3.36M out of $8.27M is the deep pump station.

David S is that 26 feet deep?

David M more like 23

David B is the line going up 3A to Main?

David M no that area would flow down to Robie’s

David B How much of Hackett Hill are you planning to cover?

David M ending at 47 Hackett Hill Road

Russ L do we have any other businesses north of the Hackett Hill intersection, on the same side of the highway, which we need to service?

David M No the pipe would end on the north side of the Hackett Hill intersection. Now do you build the sewer to be right at the properties or do you get it close and they pay to connect.

Mark V if we develop on this property we would need a pump station.

David B is it your intent to pay for the sewer and is it your intent to pay for a pump station?

Mark V identified that they do not own 47 Hackett Hill. They own the property to the back and between the highway and Hackett Hill.

David B access off Hackett Hill is an issue for you.

Mark V we want to develop some of the back parcels.

David B how many points of access to the Hackett Hill property do you have?

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**Mark V 2**

**David B** a traffic analysis will have to be done. That is a short section of Hackett Hill that you would be impacting.

**Mark V** it is my understanding that DOT is going to be improving the intersection

**Mike S** no, that failed by the voters.

**Bruce T** a grant for a corridor study can be applied for to study the entire section from Hackett Hill to the light of 3A and Main St. My understanding is that it would be likely to receive the grant because of the issues at both intersections.

**David B** there is no place for the traffic to go and it has gotten worse every year. I am pro development but the traffic increase on Hackett Hill is a serious impediment and maybe you should do traffic study before the major development

**David B** where will sewer go from zone 3 north?

**David M** everything in zone 3 is intended to go to the tri town pump station

**David M** back at zone 1 & 2 we proposed to put a pump station cross the river and feed over to the Martins Ferry pump station and we talked about the fact the force main will need to be increased and you wanted more information about that. Unfortunately we are unable to bring that to you, it will be coming. We are considering 2 options at that location. 1 would be to tie in ahead of the MF station and #2 would be to tie both into the MF and cycle it so it doesn’t all go thru that station at the same time. Also funding items we talked about was HSC considering a 2 part fee system and they are looking into that so we will see where that ends up. We are looking into funding eligibility. If private development were to invest there were questions about how they may get compensated as the area develops with the addition of more businesses hooking up, as additional customers tie in downstream of them they could get paid back or if they are making the property higher in taxable value you could hold the tax rate for them, that is one way to compensate.

**David B** $28M is the cost for the entire project who are you anticipating will pay that? Will it be those customers already on the sewer system or new sewer customers?

**David M** at the last meeting we look at a number of different ways that funding could occur. The TIF money that is accruing for tax value in the TIF district would buy you a $6M bond. HSC

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said they are willing to commit another $1.2M toward it. A new fee system from HSC with the 2 part fee schedule of TAP fees and SDF of the new connections would be a sizable portion. The current fee if all current TIF properties were to connect that would be $2.52M. Next would be private developers pay for some extensions of the sewer and pay for that on their own dollar. There is the potential to increase sewer user fee across the entire system to help pay for this new development of infrastructure. You could consider applying some of the debt to the tax payers as a whole to pay down some of the debt because some tax revenue will increase from businesses coming to town. Some low interest loan options NH DES SF is one, and a state aid grant program that is somewhat defunct but still there. On the water side there are grants.

David B ultimately if the HSC may have to out to their customer base and ask them to pay more money that they are not going to benefit from at all. Direct tax payer funding sound like we don’t have the money to pay for this.

David M there are decisions that have to be made as to the best way and where to spend the money. That is why we broke it up in to multiple zones so over time maybe possibilities will develop to increase the sewer to all zones of the district.

David B how much would it cost to do just Zone 1 & 2?

David M $15.85M

David B and your saying we can only get $6M

David M you may not be able to do the whole of 1 & 2 but again there are options to build only portions of it and extend over time.

David B if we do this over 3 yr then ultimately you keep piggybacking on the bonds and again who will pay for it. Someone has to pay back the Bonds

David M Maybe not that tight a time frame maybe 10 yrs later.

David B that makes no sense why bother to make it take 30 yrs. That doesn’t make sense if they need sewer now. It would need to be a 3-5 yr project. Beyond that it doesn’t make much sense. Now $28M to complete the whole project just how do we come up with that?

Russ L we need to take care of what we have at zone 1 & 2 at a cost of $16M I think that has to be more of our focus. If we start doing something it will generate interest

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David M did a breakdown of how the funds would be coming in as discussed earlier. you may have to be creative to get more money

David S there is still more land at exit 10 to be developed there and it would be nice if the private developers did more at exit 11 to pay.

Mike S also what David M explained about the $ generated from the 74,000 gls of waste that is going to be collected at exit 10 that is there already where exit 11 is not there yet. That is the immediate benefit.

David B any way you shake this argument, it is all about the dollar. The sewer users are not going to be able to pay for it I don’t think there is support there. The challenge now is how to pay for it, so please make that part of the package that you are going to provide to us on December 18th

Mike S The $8 -10 M that we think we have, will that have to go to the voters?

David M Last yr a bond of $2.5M was passed, so potentially $7.5M would have to go to the voters for another bond. My firm is not advocating doing the project all at once because it is too large. It is the task of this committee to decide what your priorities are and then what you will want to see developed over time.

David B I think the priority is exit 10.

David M and you would have active flow going to pay for it for that area. A status report will be provided December 18th. Our contract is to study all areas and potentially advance those to 30% design of preliminary engineering and based on your recommendations of what you want to pursue we will create some basic plans and with definitive routes of the sewer and tighter pricing. What we need to know is do you want that for all these zones or focus specific zones.

David B We will want progress report that this committee to be able to vote on December 18th and we will either accept your report in totality or make adjustments and then provide our recommendations to Town Council on January 6th.

David M we will need to have the zone narrowed down to complete the report if you don’t make a decision until December 18th we can’t develop a 30% design report in that time frame.

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Mike S I think we need to make a decision of what area for them to create a 30% engineering design report for us to then review. What scale of the project.

David M Everything or only a specific zone or combination

Alden B I think what is going to happen is that the TIF will end up paying for 1 & 2 and the developers will move forward on their own for exit 11. So I think the we moved all engineering forward to the 30% stage and then if the developers of exit 11 move forward on their own then we would have that engineering done.

David M and we are able to do that under our current contract.

Mike S is it worth clarifying that we are looking for engineering for zone 3 north, or the whole thing

Alden B I think if they are doing north they may as well do south too

Motion: To have David Mercier of Underwood Engineering to advance to the 30% preliminary design of engineering for the entire TIF plan, zones 1, 2 & 3. by David Scarpetti, 2nd by Mike Somers

Any discussion, none

Vote: All in favor.

David B exit 10 should be the top priority even though we are asking for the entire study.

Mike S We don’t need to make that decision tonight, Correct?

Bruce T Correct, the report should include clear phasing, construction type phasing and the amount to get to each destination. A menu of what you want to do.

David S what if other developers come to the table what will there options be? Will they have to fund it entirely?

David M yes the reality is that they would.

David B we will have to see how it will get funded. We don’t want to take the whole $28M to the voters because if we do and it gets voted down then it will be a long time before we get a chance to do this again. The voters have a history in this town of a no vote means no.
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Mike S do we have a list of the businesses and we need to figure out what are we are going to have the town ask them?

Andre G we do have a list, but until we know what we are going to say to them, we will have to see what develops?

David B we need to go to the main offices if we really want an answer

Sid B I think we should attack exit 10 or 11, get one done and let people see the success and then get the next one done. We have a lot to protect at exit 10. I think it is doable. I think some $ amounts are inflated but if we delay the $ amount will only go up.

David B if we get the right report for the Town Council then you will have the chance to explain what we are going to do and how it will get paid for.

David provided the dates for the next meetings

November 20th 3pm – Exit 11 developers may have updates for zone 3

December 18th 3pm Report provided to TIFAC for review, discussion and recommendations

January 6th 3pm

Any more questions

Mike S I think a full blow effort should be zones 1 & 2 but if there is an opportunity for a developer to help with the north end of zone 3 and use the pipe under the river and the Tri Town pump station, I think we should explore it.

David B I think that the report should focus on zones 1 and 2. At our November 20th if we have more information then we will discuss that again.

Sid B Arleigh Green should be contacted.

David S the owners of DD and Romeo Danais too

David M as engineers we don’t have a magic bullet to tell how much to charge each customer. It may be possible to go to them and let them know the short fall the town does need to make up and see how much they will contribute instead of going to them with a $ amount for a fee.

David B do we want a report of the short fall

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Andre G I agree with David and if a formula is created based on what is a reasonable cost for the service and a development fee is determined and even with that we need to see a reasonable cost with Hooksett Sewer Commission and residential service rates perhaps by gallon and for them to create a policy.

Andre G and we are going to pull everyone to the table who will help illustrate that story

David B once you put the pipe in the ground then anyone in 100’ will have to hook up

Bruce 100 feet to the property not the building per Hooksett Sewer Commission’s ordinance

Update with Bow:

Mike Heidorn HVW I know the focus is largely on exit 10 but we have more of need for infrastructure at exit 11. We have an agreement started with Bow and we are working on an engineering study that it will provide more water.

Adjournment @ 4:48 motion made by David Boutin

Next Meeting November 20th @ 3pm, Discussion Sewer/3A TIF – zone 3