

**MINUTES
WORKSHOP
DOVER CITY COUNCIL
CITY COUNCIL CHAMBERS
MAY 21, 2003
6:00 PM**

Those present: Mayor Nossiff, Mayor Pro-Tem Dunnington, Councilors Keays, Whitmore, Mayberry, Christenbury, Hindle and Tweedie and City Manager Beecher. Councilor Quigley was absent.

1. Cocheco Dredging Project Update

Mayor Pro Tem Dunnington called the meeting to order in Mayor Nossiff's absence, Dean Peschel explained John Peltonen would give an update on the dredging project and John Gilbert would be speaking on the tasks and schedule before us. Peltonen proceeded to explain where we are; he gave a brief history relating to construction of the disposal cell principally.

In calendar year 2002, it became the cities task to get from the Department of Environmental Services all permitting and documents necessary so the Army Corp of Engineers could proceed with the construction of the disposal cell and dredging. They did all of this successfully. That put on schedule the Army Corp of Engineers construction of the cell in 2003; so that the beginning of the dredge could occur in November 2003 - April 2004. They figured on a 6 full month dredge window. In Dec. 2002 and Jan.2003 they met with PSNH as they control the area of the river near the Dover Landing area. Also they and PSNH had met with the Army Corp of Engineers. They said yes but we don't want anything PSNH does to interfere with us. They worked closely with PSNH with respect to getting permits and the retaining wall was in place, the wetlands permit was issued in plenty of time, as they were not going to begin to construct the cell within this year. They suggested that the Army Corp split the windows and build the cell and use a portion of this year's cell this year. They came back and said no, they didn't want to do that in the winter months as it has a sealed liner so they wanted to put everything off until 2004. They needed to get everything in place to proceed. On May 5th thru the efforts of Matt Mayberry they had a meeting in the City Manager's office with Army Corp of Engineers (on the phone) and the congressional delegation with the idea to resolve issues on how to get started this year and keep the project on time. They took issue with one of the problems, cost allegations. They researched the guidelines to utilize disposal for the dredged spoils. They looked at that with Dean Peschel and the facilities study to see if there was some way to construct the cell and if it is possible under the guidelines to do that. They did get favorable responses from PSNH on this. This has been done recently in Baltimore, just a slightly different cell but with the same concept. They need a pre-agreement before they start with the Army Corp of Engineers that they will use this cell and then they will have to provide them with a cell and then they have to set the rate. They need a similar agreement with PSNH. So they need both of them saying they are going to use the cell for the same reason. They are calculating the size of cell at 88,000 cubic yards, the rate will be based on cubic yards, these are wet spoils, and the typical measure is by cubic yards. On Jun. 6th if the Army Corp knows the City of Dover is ready to go forward with a commitment, he will then call the survey crew and begin the dredge by Nov. 2003. If this happens, it will be completed by Nov. 2004. That will require formal action by the

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City Council. He then asked Mr. John Gilbert, with Geo Insight of Londonderry, the consultant that is assisting the City to come forward and explain the situation. Mr. Gilbert stated there are a number of key tasks that must be completed this year. He passed out an estimated project schedule, (see 5/21/2003 Council folder). He then explained the process so by the beginning of Dec., they would be able to start dredging. They need a memorandum of agreement with the City of Dover, then they need to award the bid and there are two more approvals required from the State, DES will require a follow-up waiver for the additional volume of dredged soils. The sight specific permit is relatively easy and will take about two weeks. Those things need to be complete by the end of June. The Army Corp that is 50 – 60 % complete would then need to get a final design of the cell by end of June with contractors on hand to start in August. In order to expedite this process, they will follow a parallel track in the bidding process. They have the initial quantity assessments they have prepared and along with those the Army Corp has done their own assessments and PSNH has looked at ours. They then would be able to do a preliminary bidding effort and then the City could do a selection of one or two finalists. Based on the results of the initial bidding; this could be used to negotiate a contractor and then a decision could be made by the end of the 3rd week in July. They would like to speak at the regular meeting in July to explain and then hold a special meeting the end of July for the Council's approval to construct the cell. This will allow them to begin building at the end of August. Then to begin dredging the end of December; this all requires a go ahead decision by the City Council.

The Mayor asked John and John and Dean what are the details of the reimbursement of the cell. John Peltonen explained how the cost of the cell would be calculated; some money would have to be fronted by the city and negotiated with PSNH. They hope they will fund it at their rate. Once the cell is operating the Army Corp pays its share as it goes along. The Mayor thanked Mayberry for all his work on this issue. Peltonen continued, once the Army Corp decides to issue the contract for the cell construction, the City is responsible for coming up with their 10% share, something in excess of 3 million dollars. If we build it we will have to front some money, then the final 10% share will come, Peltonen would like to target the rate.

Whitmore says what you have told me is we don't know what the cost of the cell is and we don't know what PSNH costs are and do we have an environmental assessment from PSNH. Peltonen says PSNH cost is 3.5 million. Whitmore's other concern is long term management arrangements with the City of Dover. Peltonen says if we were to build the cell, we would ask PSNH to be named on the insurance as a responsible party. Whitmore asked are these rates calculated based on a one year period of construction. Peltonen says the cell construction is based on a 30 year window. Whitmore's last question is about the ones named as responsible parties, Peltonen says they would all be named in the insured. Whitmore says with respect to the dredge cell, no one wants to be responsible for it, Whitmore says the reality is we do have to be responsible for it, she continued at the end of the 30 - 40 year cell, what happens then. Peltonen says a 30 year period is used to calculate costs. At that point, the life of cell is longer but it is mathematically impossible to calculate costs after 30 years. Whitmore would like written documentation on this. Peltonen says this cell is especially conservative the way it is designed with protective qualities. Whitmore says in speaking with the Army Corp, her notes indicate that the cells do have life expectancy of 30 years. Peltonen stated with respect to the cell it is capped and the soils are already dried out, and are kept dry. He

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continued there is a lot of redundancy built in to protect the City of Dover. Whitmore feels we are rushing into something without having all the answers, she feels pressured. Mr. Beecher interrupted that he agrees with Whitmore however we were faced with going forward with this dredge project. A few weeks ago it became apparent the project would not be staying on track. Dean and the staff came back with suggestions to keep it on track; he is trying to provide an alternative solution. Next week he would like to continue working with the two other parties so they can make an intelligent decision in next weeks meeting. He wanted to take this opportunity to keep them informed. Tweedie has a question on the memorandum of agreement, and what is our liability if there is a defect in construction if we choose to keep things moving. Peltonen says the liability really does not change. The liability goes to the City but that is where the assorted insurances he mentioned before come into play with respect to upfront costs, we set aside \$300,000 for our costs for cell construction, what if we need 4 million for our share, are we going to get into a scenario that the army corp will pay back money but not interest on it. The City Manager says if we bond, he will be able to answer them better next week as it will depend on what kind of a deal we can strike with PSNH. Peltonen says the way the Army Corp makes the adjustment and if it turns out to be high, at the conclusion of the cell and disposal project, the amount will be accommodated. Tweedie says you listed the third item on the schedule, as the site specific permit and will we have to carryover to another dredge window, or will this permit cover us for two years. Peltonen says no, once it is in place. Tweedie asks will we have the funds from the Army Corp. Peltonen says once executed by everyone, the Army Corp will consider themselves bound to this agreement. Tweedie would like the numbers ASAP before next week from the City Manager. The City Manager says you will not have to make a financial decision next week. Christenbury says we are not rushing anything tonight; staff is simply tasked with moving forward as we asked them to a year and a half ago and they did it publicly so the people at home will know what's going on here. We do not have to make any financial decisions tonight or even until July. This involvement with PSNH is a blessing in disguise, this is a great deal. He salutes PSNH for stepping up to the plate. We have plenty of time before we have to make any decisions. Dunnington feels we are all very supportive of trying to move this project forward, his question is on time lines, and will we be able to keep this schedule. Peltonen says it is a very tight schedule, they are talking almost daily with PSNH and the Army Corp, both parties are very much interested in keeping this on schedule, Gilbert is looking to have contractors out there by the end of the summer. Dunnington asked what happens if we miss some of this. Peltonen says, if we have it built, the army can start sometime in December. But if the river freezes up and they cannot get in there, the worst that happens is the dredge itself may possibly be put off another year. The City Manager says there is an "iffiness" about going out to bid this time of year for this type of project and if we don't get any bids. If the council is comfortable then he feels we are no worse off than before. Keays concern is where are we going to dispose of this material, he understands it is up behind the old city barn, right. The City Manager confirmed this. Keays continued back when Bob Steele was here, they had to wear a white suit and a mask if they went near it, two boys came down very sick that year and one boy died at Maglaras Park. He wonders to this day if the boy died of these spoils and here we are today, we are going to dump more up there. Dean confirms it is in the same area of the soccer fields. Keays wants us to really think about this before we do dump it. There are

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a lot of children playing ball up there and he will be really upset if another boy or girl gets sick from up there. Mayor Nossiff says that is a good point and we should take a hard look at those fields with other fields coming on line that could take the place of it. The Mayor asked for a consensus vote on this item. Motion was approved on a 6-0 vote as Whitmore abstained with no reason given. Quigley was absent.

2. OTHER BUSINESS

3. ADJOURNMENT

Tweedie moved to adjourn at 6:52 PM, all in favor.

Judy Gaouette
CITY CLERK