

TOWN OF DERRY

Town Council
Derry Municipal Center
14 Manning Street



MINUTES

Tuesday, September 1, 2026
3rd Floor Meeting Room

7:00 PM Call to order – Chair Spencer

Pledge of Allegiance, warning of fire exits, handicap access, & turn off all cell phones

Roll Call: Councilors Milz, Healey, Chase, Flood, Foote, Chair Pro-tem Webb

Absent: Councilor Spencer

Present: TA Michael Fowler, Town Clerk Tina Guilford

Public Forum - *30 Minutes*

Motion by Councilor Milz to open public forum, seconded by Councilor Foote All Agreed

David Provencher, Miltimore Road – Good evening, everyone. I just wanted to make an announcement, mostly for the benefit of the fine people in the audience and the wonderful people watching online, that the Derry Public Library is currently holding a raffle for a couple of e-bikes. The raffle will be pulled on the day of Derry Fest, September 19th. Please visit the library for more information. Thank you very much.

Erica Layon, Tsienneto Road - Sorry about my outfit today. I've been doing work with my hands, that's why I'm not dressed as nicely as I normally do. I'm here to speak today about the bill that was passed in the House to allow the Town of Derry to absorb the schools. This was a bill that was passed. It reads, "The Derry Town Council may incorporate the Derry Cooperative School District as a department of the town through a charter amendment to give the Town Council control over the form and procedures for preparation and adoption of the school department budget." This is an opportunity to answer a question that people throughout the town are asking. The question is, what's going to happen, so I don't lose my home because of rising property taxes? I do have to say that if you were to split the full year into sections between the schools, the county, and the town, if you start with paying your property taxes for the schools, we're actually still not done with that, with all the property taxes we paid through the year. Sometime in the middle of September, we're done paying school taxes, and then after that, we pay for everything in the town and in the county. I believe that the Town Council and the Town has done a wonderful job of budgeting. I think that the same discipline to the schools would allow us to have great results while limiting the cost and making it so that we are not taxing people out of their homes. This is something that people stop me when I'm driving by with my license plate and want to know how they can stay in their homes. The question they all have for you is, will the Derry Town Council be moving forward with this on their own, or will they need to bring a citizen's petition in order to request that the Town Council pursues this path? So that's a question that the people of Derry want to know. It would be wonderful if we could get an answer from you. So, thank you.

David Love, Lee Circle - I've knocked on an awful lot of doors. The main question: what about my taxes? I'm afraid I'm going to lose my house. We can't afford to stay here anymore. We've been here for 50 years. Can't afford to stay here anymore. You got, like Erica pointed out, you guys do a pretty darn good job. The school department, on the other hand, leaves a lot to be desired. I would like some answers. Are you guys going to take this up and allow this to go on the ballot, or do we have to do the petition? Time will—March comes really close, comes real soon. So, we'd like to know. The people of Derry would like to know.

Erica Layon - If I can hop to the end of his, since we did that. We have explored all the different ways to consolidate, the ways we look to fund. Derry educates for less per student than the rest of the state. We have lower administrative costs, even though ours are high. If we did anything at the state level or even the county level, it would be more expensive. And if we were paying for it with the same level of services, we the people of Derry would be paying higher taxes in order to educate students throughout the state. The idea of bringing it and having more state funding is not a solution for Derry because Derry does it better. What we need to do is, before anything like that happens, bring the schools under the town so we can manage it, be lean and mean, and just be more effective so we can graduate students who can afford to have houses in Derry when they grow up. So, thank you.

Brian Chirichiello, Rollins Street - I just want to touch base with some people who take the word "tax cap" as something that's not good. And "tax cap" doesn't necessarily mean "tax cut." We all know that. Sitting on your side of the table, having to deal with tax caps, we've done it for a long time. As a matter of fact, the Town of Derry has had a tax cap on the town side of taxes for 33 years. So, think about that for a second. 33 years. Has the sky fallen on the town? No. We have five or six unions. We still have to deal with the same thing. We hear some of the people talk about, "Well, the state reps are cutting money for retirement." Well, the same happens on the town, right? You have the firefighters; you have the policemen. But you don't hear the Town always saying it's a bad thing. They've dealt with it, and they've dealt with it under a tax cap. So, I just want to say that the tax cap is not necessarily an evil thing. And if the Town of Derry can do it, 33 years—and by the way, the town has never overridden a tax cap. Not once. Okay? And we built the fire station under the tax cap. By the way, you probably all know, under the charter, you can bond outside of the tax cap. But we built that fire station within the tax cap. So, the town does do a fantastic job of its business, and it's a good steward for the taxpayers. So, one of the things that I went to the school board—I've been going to the school board meetings—and luckily, they gave back \$533,000, okay, out of a possible \$1.8 million that they were talking about, a contingency, whether to hold it or give money back. And so, they decided to give \$533,000 back to offset the tax rate, which is great. Now, they also budgeted \$1.5 million, so you'll have a total of \$2 million that will help a little bit of the blow. But remember, the school's portion of the tax cap is—I'm sorry, the school's portion of the taxes are \$10 million. That's a big hit coming in December. Okay? A lot of people don't realize it because you see that increase in December, not in July. But anyway, I just wanted to share that with you. I know a lot of you know about that, so don't take it as a negative thing. Take it as a positive. And I think the town could do a really good job, and we can find efficiencies and make it a better town overall. So, thank you.

Richard Tripp, Windham Road - I too am a co-sponsor on House Bill 1331. I would like to clarify something that Erica said. I believe she mentioned that the Town would be taking over the schools. That's not what the bill says. The bill says that the Town Council control over the form and procedures for preparation and adoption of the school department budget. So the town won't be running the schools. All they're going to be doing, similar to what's going on in Manchester, is they have the final say. The town has the final say on the school's budget. So don't everybody get up in arms that the town's going to be ruining the schools. That's not the

case. All that the Town would be doing, should the charter amendment go through, is have the final say on the school budget. Brian Chirichiello made a comment about how much money the school is in the overall tax rate for the Town. And I think Erica mentioned that you don't start paying for the town's portion of the budget until you hit September. That's pretty much true. The town's portion of the budget is only about 28%. The school's portion of the budget is about 62%. That's a lot of money. I believe that the Town, working with the school, could find a way to cut the overall budget. I know this year the school's budget went up by a little over \$9 million, which is about 9%. I know they're going to—the town, the school's probably going to say that "Well, a lot of that is Pinkerton." Well, Pinkerton is

**Motion by Councilor Foote to extend time, seconded by Councilor Milz
All Agreed**

Thank you. I was almost done anyhow. I just wanted to say that Pinkerton this year is a little over \$2 million, so they're roughly 22% of the increase that the school is asking for. So, while Pinkerton is a substantial part of the school budget, I don't believe that it's significant enough that you can blame Pinkerton for the 9% increase this year. So, thank you. And think about saving the townspeople some money. Because, as I said, another 9% increase—well, I'd like to know what the tax rate is going to be this year, but I was talking to somebody and they said we won't know that until November or whatever. So, thank you much.

Steve Trefethen, North Shore Road - So I've been coming here for 15 years, telling everybody prior to you, gentlemen and ladies, even the ones not present, that we needed to take the school budget and that everybody has issues. Who's going to run for the Town Council? It'll be all school people. I've heard it all. I knew it was coming. I also came and told you about nine months ago this budget was going up \$8 million. In '25, it was \$96.5. It's now at \$10.8. That's the difference. It went up \$10 million to \$107.4. It went up \$10.8 million, the school budget. They're going to do it again next year. They plan on it already. I can tell you it's \$3 to \$5 million right now. At least \$2.5 to \$5, probably closer to \$3 to \$3.5. And they're going to do it for a few years. That's what I know. I told you this before. That's what's coming. So as Ms. Layon and Mr. Love said, if we can do something with the charter, it's a very good idea. And I'll tell you why. It gives you a chance to negotiate. It gives you some kind of pull. So, when you're putting the budget together, if you think it's a good idea for the school to go one way and you're controlling some of the budget, they're going to have to pay attention. Right now, there's no checks and balances. I'm hearing not only from a lot of people in Derry, they're kind of tired of it. And I hate to tell you, but Council's getting blamed for a lot of it. We know here because we're involved in it, but it just seems that the Town did it. It's always the Town, and then, of course, it's the Town Council. I'm also hearing from some of the, I would say, lower-income tenants, of which I house a few. I have some that have been there for between 5 and 30 years, I try to keep their rents down. And this year, from what I'm seeing now, my taxes will increase \$15,000 to about \$30,000. And they have to split that between them all. It could be \$30, \$40, \$50, \$60 a tenant a month, whatever, \$10, even \$10 or \$20. It's a lot of money for somebody on a fixed income making \$22 an hour or whatever it is. So, we have to do something. The town and taking the school budget any way you can take it would be very wise. And I think instead of just doing it through referendum, having them go around and sign petitions and all that stuff, I think the Town Council really needs to look into it and do it. It's going to give you a lot of negotiating power to keep the schools somewhat in line and slow them down. We're stuck on a cap. We use some of the cap every year, okay? It's not a lot of money, but we're stuck with it. But the school, there's no end to this. And it's getting hard for older people. And I've been coming here for years fighting for the older people and the poorer people. And now here it is. It's hitting us. And you can do something about it now, so I would highly advise it. And I appreciate your time. Thank you.

Tom Cardon, Cunningham Drive - I have here a positive comment on taxes. I had the honor of attending the ribbon-cutting for the new solar array that our Net Zero Committee—I'm the secretary of that committee—but we have been working on that for about 10 years, and it's been online for, I don't know, about a month or so. And it's going to save us about, what, \$4 million over the life of the project. So that's \$4 million worth of taxes. So, like I said, again, it was an honor to do that. And we're going to continue to work on different projects to save the town money on energy costs. I know we've worked over the years. We save about \$1 million a year on taxes, but a lot of that had to do with Mike Fowler because he had a lot of input and really helped us out a lot. So anyway, so that's a positive about taxes. Thank you.

Jamie Carreau, Richardson Drive - I just wanted to remind everybody that the public is welcome to attend all of the school's fiscal advisory committees. And also, we do have the deliberative session every February, and that is the opportunity for everyone in town to have their voice heard on what they want the school budget to look like. So, we do have a say, but people need to show up. Thank you.

Motion by Councilor Foote to close public forum, seconded by Councilor Flood
Roll Call Vote 6-0-0

Consent Agenda

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| 26-76 | Approve Minutes – August 4, 2026 |
| 26-77 | Ordinance #2026-003 – Amend Chapter 119 of the General Code –
Hawkers, Peddlers and Itinerant Vendors |
| 26-78 | Resolution #2026-050 – Accept the 2026 Community Wildfire Protection
Plan |
| 26-79 | Acceptance of Resignations – Conservation Commission Member and
Alternate |
| 26-80 | Acceptance of Resignation – Taylor Library Trustee |

Councilor Foote moves to approve the Consent Agenda, seconded by Councilor Milz
Roll Call Vote: 6-0-0

Chair Report – Chair Pro-tem Webb

State Primary Election – September 8, 2026 – Town Clerk Tina Guilford presenting

Good evening, Councilors. I'm here tonight to remind everyone that there is a primary next Tuesday, September 8th, 2026, at the Hackler Gymnasium, 7:00 AM to 8:00 PM. Hopefully, everyone remembers to come out and vote. We're looking forward to seeing all our voters. We've had tons of training already. There were more trainings tonight, and there's some more trainings on Thursday. I think our staff is ready to go and ready to receive all the voters. So, let's not make all our work in vain and not have a good turnout. So that would be great. Last chance for absentee ballots are happening right now. The clerk's office is open tomorrow, 7:00 to 5:00. Thursday and Friday, 7:00 to 4:00. Monday, Labor Day, the town clerk's office will be open for absentee ballots only from 12:00 PM to 5:00 PM. We are required to be open by state law from 3:00 to 5:00, but I'm going to be open at 12:00. So, my staff and I will be here on Labor Day for you to drop off your absentee ballot, pick up an absentee ballot. You can vote right on the spot. We have people voting downstairs and turning it right back in if you don't want to take it home. If you're concerned about the mail, do not drop it in our drop box in the drive-through. It will be rejected. We don't have drop boxes here in New Hampshire. You do have to hand it to us at the

clerk's window. So again, Labor Day, 12:00 PM to 5:00 PM, we will be here for absentee ballots only. We are the only department that will be open here in town hall. Every other department will be closed. So please don't come here to try to register your car because that's not going to happen. But for your absentee ballot, drop it off, get one. We will be here. Absentee ballots must arrive in the town clerk's hands by 5:00 PM on Election Day in order to be processed. So just as a reminder, if you're bringing an absentee ballot, mom's bringing it for her kid on Election Day, don't come at 7:15 at night because it will be rejected. I need to have it in my hands by 5:00 PM on Election Day. Bring it on Labor Day. We'll be here 12:00 to 5:00. It's a holiday, so come on in. I have to be here. So please come in and visit. When you are voting on Election Day, please wait for the green check mark. We've had such a low turnout the last two town elections. I am certain that most voters—this will be the first time voting on our new machines—so please, when you're putting your ballot in the ballot counting device, please wait for the green check before you walk away. That means your ballot has been counted and accepted. Okay? Last, our town clerk's office will be closed on Primary Day September 8th, because we will be at the election. And we will reopen at noontime on Wednesday so that my staff has, I don't know, a few minutes to sleep in before we have to come in and do all the things we need to do for the election before we actually open at noon because we still need to wrap up the morning after the election.

Board / Committee Appointments

Net Zero Task Force

**Chair Webb moves to appoint Colin Ratey as an alternate member of the Net Zero Task Force for a term to expire March 31, 2029, seconded by Councilor Foote
Roll Call Vote: 6-0-0**

Reminder that the 25th anniversary of September 11th is coming up. The fire department will be having an event that day. Invitations and more to follow. So, I'd suggest that you pay attention to the fire department's social media page on the specifics of the 25th anniversary of 9/11.

Town Administrator's Report – Town Administrator Michael Fowler

Presentation of FY26 Financials – *Chief Financial Officer Mark Fleischer presenting.*

This is the June 30th, 2026 financial report. These results are preliminary. Our audit is going to commence on September 14th. For this analysis, we're going to be talking about general fund operations, which do not include taxes, overlay, TIF, capital, and EMT revenue or expenses. Our FY26, our general fund operational revenues were 106% of budget. Our expenses were 98% of budget. These are general fund revenues that exceeded budget. You see the budget and the actual results and then the variance. In this case, fire permits were about \$30,000 above budget. Ambulance revenue, \$255,000 above budget. Motor vehicles were \$557,000 above budget. Health permits, \$1,540,000 above budget. Got on to interest revenue. That was \$689,000 above budget. Town clerk had some positives. Also, there's a new line in there for marriage ceremony revenue. That was \$10,000. Planning, their applications were \$1,405,000 above budget. Code enforcement and building permits were \$149,000 above budget. The transfer station, the recycling revenues were \$332,000 above budget. So overall, motor vehicle revenues were \$42,867 greater than FY2025. Our general fund interest revenue, despite being above budget, was \$290,000, lower than FY2025, primarily because our rates have gone down.

Some of the revenues that were below budget in police, we had canine reimbursement for \$32,000. SRO, which is a school resource officer over at Pinkerton, that was \$6,700 below budget. Let's see. Some of the other ones. Oh, finance, PCARD rebate. We didn't get one last year, so we had a variance of \$25,000. However, I've been informed we are going to receive in a couple of weeks \$13,000. And planning, code enforcement, small money, recreation, Alexander Cott trust reimbursement fell short \$18,000. The parks side was \$9,900. It could be because of programs not taking place so much at Alexander Carr. Highway, the non-governmental reimbursements were down 4.4, let's see, \$4,400. Transfer station and household hazardous waste state reimbursement from the state was down \$5,000. And despite our recycling revenues being high, our actual scrap metal recycling was down \$16,000. The transfer station and household hazardous waste expenses are partially reimbursed by the New Hampshire Department of Environmental Services. Going over to the expenditure side, FY26, we were at 98% of budget. FY25, we were at 97% of budget. So, in fire, their overtime was over budget by \$453,000. And police, their full-time wages, I'm sorry, they're not over. They're actually under. And full-time wages in police were under budget by \$360,000. And in police, their operational expenses outside of payroll, they were ahead almost \$39,000. Community development, professional services was below budget for \$12,690. Let's see. Some of the other ones, human services assistance, that's a big one, \$45,000 that wasn't spent. Assessing, planning, recreation, other professional services, \$13,000 below budget. And I thought this would be a good one just to see gasoline expenses for the general fund activity centers had a positive of \$8,000. Diesel fuel had a positive of \$2,000. So, on June 30th, departments trended individually between 96% and 110%. Also, there were five paramedic positions vacant in fire and seven patrol officer positions vacant in police. Some of the expenditures that were exceeding budget, overtime in fire was \$377,000. Emergency management, we had vehicle repairs of \$9,000. In finance, our audit expense is exceeding the budget by 41.5. I'm going to talk about that later. In OMO, retiree health, that was above budget by \$30,000. Buildings and grounds for repairs and maintenance were above budget by \$10,000. Parks and highway overtime was up mainly because of snow removal. And in the supply maintenance line in highway, \$110,000 above budget. That was road salt. The transfer station, trash hauling fees were above budget by \$57,000. Another note is the fire overtime is offset by vacant positions and related roll-ups. Retiree health, audit, and legal expenses, overages in finance to be covered by our interest revenue surplus. And emergency management expense overage is going to be covered by emergency management unanticipated revenues, not fire. So, in summary, general fund operational revenues are expected to exceed estimates by 2.736 million, which is 6% of budget. The general fund operational expenses are expected to be below estimates by 1.259 million, which is 1.6% of budget. This information confirms funds can be added to the unallocated fund balance. Therefore, the maximum amount that the FY26 budget can be released to the capital reserve funds equals 928,797.

Town Administrator Michael Fowler

I have some other items of general interest that I'd like to talk about. Along those lines for Mark and the financial staff, I'd like to make the announcement that for the 28th consecutive year, the Town of Derry has received the GFOA Certificate of Achievement for Excellence in Financial Reporting Award. And this is for fiscal year 2025. The town's financial staff is small, albeit deserves credit for their continued professionalism and diligence. This award is a recognition of the high standards established by the finance department. And I'd like to congratulate Mark and his staff on this award. It's a high-level esteemed award. And thank you again, Mark, for all the hard work throughout the year. So earlier in the discussion, we had several folks step up to the podium and talk a little bit about their concerns over the absorption of the town and the school district. But one of the things I did want to talk about a little bit tonight was the revaluation. So, taxpayers received roughly middle of August notices from the assessing department, the 2026

revaluation. And generally speaking, the assessments increased in the range of about 9%. So, this is an exercise to validate based on recent sales and to make sure that taxpayers are equitable across all the different classes representing what the value is as of current. And some communities don't do this frequently, which leads to some wild swings. I think Concord most recently had some swings that were in the 40 to 50 percent range. This approach keeps it current, and we didn't expect anything more than 10%. We hit the 9% mark here. So now what happens from there, as a reminder, reassessments are to ensure fairness and to adjust for actual market values. If there are any questions specific to an individual taxpayer, they can reach out to the town's assessor. We've been doing appointments here at the municipal center virtually all of this week. They're certainly open to sit down, evaluate data, look at the comps. There's also a bunch of information on the town's website under the assessing tab. We certainly want to be open and transparent about how a specific value is derived. So, if there's any questions, reach out, and they can certainly help you find that. So, to talk about where we go from here, the tax rate for the 2026 tax year will be published sometime around late October. And the DRA approves that rate. The first tax bill that everybody received in June 2026 was calculated on the 2025 tax rate, \$18.99, and the old, assessed value. The second tax bill will be calculated for the 2026 tax year. We will have the new higher assessments, the new 2026 tax rate. And then the way this works is you multiply the '26 tax rate by the new assessment, and you'll arrive at a total value for the year. Then you subtract the first half payment, and that will be your balance due in December of 2026. So, what ends up happening is some of the components that were discussed here tonight, the town's rate was determined by the Council's vote on May 5th, 2026, for the FY27 budget. That tax capped rate is not to exceed 3.3%. Once we get all the final valuations, the assessor will calculate that. And as soon as I know that number, we will announce that. However, you don't have any control over what's done at the other three levels, the county, the state tax rate for the schools, and obviously the local school district. So, it is possible that some of the normally assessed value, when you go up, your tax rate will drop. And I'm expecting that to happen on the town side. I think in the other components, you may not see that same effect. So as soon as we have that information, we will publish that and make sure that everybody is understanding of the math that is behind it. But just wanted to kind of talk everybody through that process. On another topic, public information. So, the town staff has fielded a number of right-to-know information requests in the month of August. As council is aware, we do not employ a right-to-know officer. Many communities have those to address these requests. One of the requests that we've seen multiple times this month stems from a nationwide concern over the flock cameras and privacy related to that. I want to read a brief statement that Chief Feoli has prepared to talk about what has been alleged in Derry and just make sure we put it out there so that everybody understands where we stand on this.

"We're aware of several websites, <http://dflock.org> and <https://flockcameraslocation.com>, that attribute flock and/or Motorola cameras to locations in Derry and further indicate that the cameras are controlled by the Derry Police Department. Derry Police Department does not own, operate, or access any flock safety cameras or other ALPR system. The department also has no contracts, no agreements, memorandums of understanding, or other arrangements concerning the use of access to any such camera system or data. The department has no records or knowledge identifying any flock safety or ALPR cameras operating within the Town of Derry, whether operated by any other governmental agency, a private entity, or any other party." The answer to that question that has been given out on multiple occasions, we don't have any involvement in flock cameras in Derry. Lastly, personnel. Sheila Bodenrader is going to officially retire on October 1st after 33 years with the town. She started part-time with the Recreation Department in July of 1993 and then became full-time in '94. She moved into the Executive Secretary office for the town council and town administrator in September of 2003. Sheila, as all you can attest, has been a beacon of stability, consistency, and most importantly, confidentiality. She sees a lot of things that just happen organically, and she keeps it within wraps. So, by my

count, she has served 37 different town councilors and 12 different town administrators, 7 permanent and 5 in the interim and acting capacity. So, despite all the winds of political change, Sheila has always provided a cheerful disposition and a high level of support for the town council, town administrator, the public, even when sometimes people in those roles were at odds with each other. I want to provide my personal thanks to Sheila during her transition from Dave to me as town administrator. She helped me out immeasurably to find the correct file or format, which was extremely effective in helping us get a good start in my role as the town administrator. As I've mentioned previously, the town is experiencing retirements for several long-tenured employees, and employees like Sheila have provided exemplary service and have built relationships within the community. I wish Sheila the very best in her retirement, and congratulations to her.

Public Hearing

26-64 Ordinance #2026-002 – Amend Chapter 138 of the General Code to adopt the Derry Commercial/Industrial Property Tax Exemption Program – *Planning Director Beverly Donovan presenting.*

I'm here to talk about the reauthorization of our Commercial Industrial Tax Incentive Program. The Town Council has maintained as one of its primary goals the enhancement of economic development opportunities in the community. Currently, the town offers a Downtown Derry Revitalization Tax Relief Program, which provides relief from taxes on the renovated portion of an existing structure within the downtown area for a period of up to five years or more under certain circumstances. The town also sponsors a facade improvement program, which has been very successful, recently extended to all properties within the Derry Commerce Corridor. The facade improvement program is a matching grant, and it works for facades of eligible properties. Another program, historically known as the Coos County Bill, as its origins lie in the program specifically targeting development in New Hampshire's northernmost county. The legislature later expanded programs statewide and enabled the municipalities to make decisions on applications received on a case-by-case basis as opposed to a blanket approval for all eligible properties. And the Derry Town Council approved this program under Ordinance Number 2019-010 on October 1st of 2019, with an initial effective date of April 1st, 2020. Per state statute, the Town Council must reauthorize this program every five years for it to continue to be an option for eligible property owners. As the council considers this program, there are parameters established by state statute. Number one, the amount of property tax exemption may not exceed 50% of the assessment on the improvements. Number two, the duration of the period cannot exceed 10 years. Number three, the exemption applies to the town and local school rate only and does not include the state school rate or the county rate. And currently, the total of the town and local school rates comprise 89% of the overall tax rate of \$18.99. Number four, the program would need to be authorized every five years or the program will terminate. And there are exemptions granted during previous period, which shall be honored. The Council has authority to approve or deny each application based on a case-by-case basis. And the things that need to be considered are the public benefit generated for each application, the amount of the exemption for the application, and the duration of the application. The fiscal impact on the town's experience is as follows. LaBelle Winery, \$2.5 million in renovations at 50% tax exemption for a period of 10 years.

The 4 Peabody Road Extension, \$1.2 million in new construction with 50% tax exemption for three years expiring tax year 2026. 42 Route 111, there was a company that had put in an application but never completed their application because they decided not to purchase their building. Once the approved period has expired, the applicant pays the full tax burden going

forward. The core goal is to spur economic growth in properties where redevelopment may not have occurred otherwise.

Motion by Councilor Foote to open public hearing, seconded by Councilor Milz

Roll Call Vote: 6-0-0

Steve Trefethen, North Shore Road - I'm the recipient of one of those that we're talking about, 4 Peabody Road. I want to give you some practical experience where I went with that. One thing on the facade, downtown facade, I think it'd be a good idea for the town to do some type of flyer with their COCs because there's still some canopies and some signs that look pretty bad. And I tell people who I see, but I'm busy. And I think maybe when they're moving in, if we let them know that that's a possibility, maybe they'll get out there and paint the front of it and put a new sign up, put a new canopy, do something to make the downtown look a little bit better because there's still some areas that need help. So that's just something that came since Bev mentioned that I just thought of that. So, I'm going to give you some practical experience on this one. I'm not LaBelle. They came in for 10 years. I have the 4 Peabody Road Extension, \$1.2 million. That's my building. I built that new in '23. That was a big deal back then. The town council or the town manager asked me what I thought I needed. I said, I just need three years. Once we fill it, we're going to have to fix the rents for a couple of years. And back then, though, the interest rates were low. They were only 4.5%. So that math worked for me. That assessment's gone up now about \$900,000 or \$18,000 a year in taxes if you figure it at \$20,000 or \$1,500 a month. Not so terrible, except for now, the interest rate is about 7%. So that's a very important program because with the interest rate going up and maybe somebody will come in now for 5, 7, or 10, you have the option to do that. And they'll be able to afford the higher interest rate, which is another 80% more on your mortgage or 70% more on your mortgage. And that savings offsets that and enables people to build. So, I highly recommend it. I'm speaking about money right out of my own pocket. It worked for me then. I didn't want more than three years. That was enough to get me going. But it's a great program. And after that, of course, we get the benefit of \$2, 3, 5, 7 million projects and then taxes from here on out. I highly recommend that the council approve that. Thank you.

Motion by Councilor Foote to close public hearing, seconded by Councilor Milz

Roll Call Vote: 6-0-0

Councilor Milz MOVES THAT THE TOWN COUNCIL adopt Ordinance #2026-002 which reads as follows [Read the Ordinance], seconded by Councilor Foote

Roll Call Vote: 6-0-0

Ordinance Attached

26-73 Resolution #2026-044 – Accept Unanticipated Revenues in the FY26 Budget to cover Finance Department expenses – *Chief Financial Officer Mark Fleischer presenting.*

During FY '26, the Finance Department, which includes assessing, tax collection, finance, and OMO, received unanticipated revenues and incurred unanticipated expenses. Certain expenses require supplemental appropriation and budget adjustments. For Finance, the unanticipated expenses totaled \$86,487, and they are \$41,500 for the FY '26 audit. We had sent that on RFP, and the information we received back was that there is a lack of municipal audit firms out there as well as municipal auditors, which has caused firms to charge premium rates in the marketplace. Next expense would be \$30,319 for retiree health. Unanticipated staff retirements

put this line over budget, and \$14,668 for legal expenses. Legal expenses related to personnel matters and collective bargaining unit negotiations caused this overage. We're seeking approval to use excess general fund interest earnings, which total approximately \$689,000 to cover these over-budget expenses.

Motion by Councilor Foote to open public hearing, seconded by Councilor Milz
Roll Call Vote: 5-0-0

No one from the public spoke.

Motion by Councilor Foote to close public hearing, seconded by Councilor Milz
Roll Call Vote: 5-0-0

Councilor Milz MOVES THAT THE TOWN COUNCIL adopt Resolution #2026-044 which reads as follows [Read the Resolution], seconded by Councilor Foote
Roll Call Vote: 6-0-0
Resolution Attached

26-74 Resolution #2026-045 – Approve Supplemental Appropriation and Budget Transfer for the FY26 Fire Budget – *Chief Financial Officer Mark Fleischer presenting.*

Well, this is regarding fire. So, construction of the Fire Department headquarters has been completed, and punch list items are being addressed. Total project expenses exceeded budget by \$41,800 in capital project fund 2035. There are sufficient unanticipated revenues available in the Fire Department budget to cover this overage. We're seeking approval of a supplemental appropriation in the general fund fire budget in the amount of 50,790.30, offset by the following unanticipated revenues: \$25,119.93, reimbursement for EMS jackets using unspent assistance to firefighter grant funds, and that was not budgeted for; \$24,878.37, Exit 4A aerial work reimbursement by New Hampshire DOT. This was for fire alarm utility relocation related to the 4A project. The \$50,790.30 will then be transferred to fund 2035 to cover the overage.

Motion by Councilor Foote to open public hearing, seconded by Councilor Milz
Roll Call Vote: 6-0-0

No one from the public spoke.

Motion by Councilor Foote to close public hearing, seconded by Councilor Milz
Roll Call Vote: 6-0-0

Councilor Milz MOVES THAT THE TOWN COUNCIL adopt Resolution #2026-045 which reads as follows [Read the Resolution], seconded by Councilor Foote
Roll Call Vote: 6-0-0
Resolution Attached

26-75

Resolution #2026-046 – Approve Supplemental Appropriation and Budget Transfer for the FY26 Emergency Management Department Budget – *Chief Financial Officer Mark Fleischer presenting.*

So, the FY 26 emergency management budget is over budget by approximately \$10,000. This overage is made up in part by miscellaneous expenses related to the fire headquarters project and major repair to the mobile command unit. We are seeking approval of a supplemental appropriation amount of \$10,120.48, offset by unanticipated revenue received by the emergency management department as follows. \$3,000 was reimbursement from the New Hampshire Department of Safety related to updating the town's hazard mitigation plan that was not budgeted for. \$7,120.48 is insurance claim revenue for accident repairs to the mobile command vehicle that were not budgeted for.

Motion by Councilor Foote to open public hearing, seconded by Councilor Milz
Roll Call Vote: 6-0-0

No one from the public spoke.

Motion by Councilor Foote to close public hearing, seconded by Councilor Milz
Roll Call Vote: 6-0-0

Councilor Milz MOVES THAT THE TOWN COUNCIL adopt Resolution #2026-046 which reads as follows [Read the Resolution], seconded by Councilor Foote
Roll Call Vote: 6-0-0
Resolution Attached

New Business

26-81

Resolution #2026-048 – Withdraw funds from the Taylor Library Capital Reserve Fund for repairs at the Taylor Library – *Taylor Library Director Jen Thielker and Trustee Sue Rowse presenting.*

Good evening. We're here to present two repairs that we would like to do at the library this year. One is one that you've heard before, the soffits and the chimney at the library. The liner does need to be replaced. It's something that timing has not worked out in the last two years due to chimney swifts, which are endangered, and obviously, you can't disturb those once they settle into our chimneys. So, we are on the schedule. It can go through if you guys approve funds, and we'll get it in this time before the weather turns bad. The other one is the soffits around the front entryway of the library. When doing other repairs, our carpenter noticed some issues with the wood being quite soft in those areas. So, the sills would need to be replaced and fit to match the age and nature of the building around it, and then scraped and painted to then, again, blend in with the building. The total request for the soffits is \$2,550 used from the Taylor Library capital reserve fund. And then for the chimney, that is \$4,750. So combined, \$7,300 for the two projects. Thank you.

Councilor Milz MOVES THAT THE TOWN COUNCIL adopt Resolution #2026-048 which reads as follows [Read the Resolution], seconded by Councilor Flood

Roll Call Vote: 6-0-0
Resolution Attached

26-82 Resolution #2026-047 – Accept a road easement on Humphrey Road –
Town Administrator Michael Fowler presenting.

This item has come through to us from the planning department. It's a little bit of a housekeeping item to follow through with some items related to the development at the corner of Humphrey Road and South Main Street. So essentially, Planning Board approved the mixed-use site plan for numbers 1, 2, 3, and 4 Humphrey Road in September of 2024. The conditionally approved plan included easements dedicated to the Town of Derry, which will permit grading along a portion of 2 Humphrey Road, and it's more specifically noted as Dedication Area A. So, within your packet, there is a plan that has been prepared by the surveyor. This will facilitate the realignment of Humphrey Road, and then also, the plan outlines grading easements dedicated to the Town of Derry to permit grading along 1 Humphrey Road in the vicinity of the intersection, more specifically described as Dedication Areas B and C on the plan. Additionally, two drainage easements are shown totaling 13,427 square feet, and then another one for 1,248 square feet. These drainage easements are being put in place to allow the town to maintain drainage infrastructure as necessary coming from the realigned Humphrey Road. The Public Works Department has reviewed this plan and has endorsed the acceptance of the dedicated easement areas, and there'll be no fiscal impact to the town as the final recording will be done by the applicant in this matter. So, I'm recommending that the Town Council vote to accept the dedicated easement areas, and that will be one of the final last items on that project before that starts to look to break ground.

Councilor Milz MOVES THAT THE TOWN COUNCIL adopt Resolution #2026-047 which reads as follows [Read the Resolution], seconded by Councilor Foote
Roll Call Vote: 6-0-0
Resolution Attached

26-83 Resolution #2026-049 – Authorize a second extension of the Master Development Agreement with Lansing Melbourne Incorporated – *Town Administrator Michael Fowler presenting.*

As the public can see, we're making some really significant progress on the Abbott Court development. You can start to see one of the walls on the east side of the parking garage moving along. A lot of site work is going on down there. I'm really pleased with the positive progress. It's been relatively good weather throughout the summer, so they are moving along quite well. One of the items that you have that had established this relationship is the Master Development Agreement. Within that, there was a requirement to have the formal closing of all of the parcels and pieces by a certain date. Initially, that was back in February of 2026. You granted an extension to September 30th, 2026. We had a meeting a couple of Fridays ago. We meet weekly amongst the town attorneys and the LMG attorneys, and it was felt that we should ask for another couple of months just to make sure that we don't exceed that timeline. So, tonight is just a procedural item to extend the date of closing until February 1, 2027.

There are no other changes to the document other than the date of closing between the land transactions that are out there.

Councilor Milz MOVES THAT THE TOWN COUNCIL adopt Resolution #2026-049 which reads as follows [*Read the Resolution*], seconded by Councilor Foote

Roll Call Vote: 6-0-0

Resolution Attached

Councilor Comments –

Councilor Milz – Get out and vote on September 8th.

Councilor Healey - We had a few residents come up during the public comment section and talk about HB 1331. I was a candidate this year for Town Council. This was brought up at the candidate forum. At the candidate forum, I said I would not be supportive of putting it on the ballot, and I'm going to stick to that. There is no expiration date on this bill, so I think this gives the school some time, and if a future Council wants to put it on the ballot, they can. But I'm going to go on the record and say that, as far as me, as far as one Councilor, that I will not be supportive of putting it on the ballot for this year. Thank you.

Councilor Flood - I just want to remind everybody before they give up their right to control the school budget, that they just need to get up and go to the budget meetings. They all have a voice. If everyone is outraged, why is the turnout so low? Before you ask the Council to take it over, you need to remember, you need to realize you're giving up your choice, your voice. It takes work to save money. It's not easy. It's hard to earn money. It's harder to save it. So, if you want to save it, you have to do the dirty work, and you need to show up, and you need to be responsible, and you need to look at the budget and make common-sense decisions. That's all.

Councilor Foote - As mentioned earlier tonight, we had the solar field ribbon-cutting, and that was a great event, and a lot of work went into that to make that happen. That was back in 2016 when we initially started this process. So, I want to give a lot of kudos and thanks to the Net Zero Task Force and all the volunteers and the citizens in the community who came forward to help out with that and all the agencies that made that happen. Like they said today, it's going to be a supply rate of 6 and a half cents starting with July 15th bill and throughout the life of the solar field, which is 25 years, the most we'll pay is 10 cents, and that could be \$4-to-5-million-dollar savings, and depending how much more the prices go up, it could be more than that. So, it was a great investment and a great day. Thank you.

Councilor Webb – I just want to reiterate Councilor Foote on that. And as I said at the ribbon cutting, I want to thank the people that volunteered to this town on the different boards. Several of those volunteers were here tonight speaking on their issues. This town runs on its volunteers. And please look onto the town website because there are boards that have some vacancies. I know that the Derry Housing and Redevelopment Authority does have a vacancy right now. And please participate in this town. Right to Know's take a tremendous amount of time of because they're handled by our Town Administrator, Mike Fowler, and our Town Clerk, Tina Guilford, there may become a time that we have to allocate significant funds to hire a right-to-know compliance person. And it's a situation I don't want to be forced to put into, and I don't want to discourage right-to-know requests, but I want people to understand that there is a cost to them, and it may affect our taxes because a just off the top of my head, a right-to-know compliance

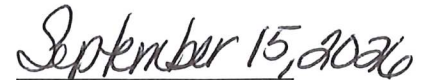
officer is \$150,000 between wages, benefits, Social Security, all the other roll-ups that go into a position. So that's my little soapbox for tonight.

**Motion by Councilor Milz to ADJOURN, seconded by Councilor Flood
All Agreed**

Adjourn: 8:29 PM


Town Clerk

Recording & Transcription by: Cristina Guilford, Town Clerk


Date





RESOLUTION

Number 2026-048

To Withdraw Funds from the Taylor Library Capital Reserve Fund for
Repairs at the Taylor Library

WHEREAS, Section 5.1 of the Town Charter designates the Town Council as the governing and legislative body of the Town; and

WHEREAS, staff have identified some areas of concern requiring repair to the soffit and chimney; and

WHEREAS, a Capital Reserve Fund was established for the maintenance of the Taylor Library; and

WHEREAS, the Taylor Library Board of Trustees has requested authorization to utilize a portion of the fund for this purpose; and

NOW, THEREFORE, BE IT RESOLVED IN COUNCIL, as Agents to Expend, that the sum of Seventy Three Hundred Dollars (\$7,300) shall be appropriated from the Taylor Library Capital Reserve Fund to finance the soffit and chimney repairs.

This Resolution shall take effect immediately upon its passage.

Adopted: September 1, 2026.

Attest:

x 
John C. Webb, Council Chair Pro-Tem

Date: September 1, 2026

x 
Cristina Guilford, Town Clerk

Date: September 1, 2026

Archival Ref: TC agenda item #26-81



RESOLUTION

Number 2026-046

To Approve a Supplemental Appropriation and Budget Transfer for the
FY2026 Emergency Management (EM) Budget

WHEREAS, the Town Charter establishes the Town Council as the appropriating authority of the Town and as such it is empowered by Section 9.6 of the Charter to make supplemental appropriations after the annual budget is adopted; and

WHEREAS, The Emergency Management (EM) FY2026 Operating Budget is projected to have a deficit of approximately \$10,000 due to unanticipated expenses related to Mobile Command vehicle repairs and expenses related to the new Fire Station.

WHEREAS, there are sufficient unanticipated revenues collected in the FY2026 EM budget to offset this deficit

NOW, THEREFORE, BE IT RESOLVED IN COUNCIL that the Town Administrator is hereby authorized to accept **\$10,120.48** in unanticipated revenues and reimburse the various Emergency Department accounts as follows:

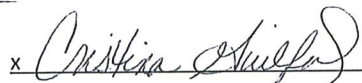
1. a **\$3,000** budget adjustment to FY2026 General Fund- EM-Capital Less than 10K (11221000-690000) from Federal Pass Thru State (11203000-033199)
2. a **\$7,120.48** budget adjustment to FY2026 General Fund- EM-Vehicle Repairs (11221000-660000) from Insurance Claim Reimbursement (11205000-035066)

This Resolution has been adopted by two-thirds majority of the entire Council as required by Charter and shall take effect immediately upon its passage.

Adopted: September 1, 2026.

Attest:


John Q. Webb, Council Chair Pro-Tem
Date: September 1, 2026

x 
Cristina Guilford, Town Clerk
Date: September 1, 2026

Archival Ref: TC agenda Item #26-75



RESOLUTION

Number 2026-045

To Approve a Supplemental Appropriation and Budget Transfer for the
FY 26 Fire Department Budget

WHEREAS, the Town Charter establishes the Town Council as the appropriating authority of the Town and as such it is empowered by Section 9.6 of the Charter to make supplemental appropriations after the annual budget is adopted; and

WHEREAS, the Capital Project Fund 2035 for the new Fire Station exceeded budget by approx. \$41,800.

WHEREAS, there are sufficient excess revenues collected in the FY 26 Fire budget to cover these expenses; and

NOW, THEREFORE, BE IT RESOLVED IN COUNCIL that the Town Administrator is hereby authorized to accept \$50,790.30 in unanticipated Fire revenues and reimburse Capital Project Fund #2035, New Fire Station as follows:

a \$50,790.30 budget adjustment and transfer from FY2026 General Fund- Fire, Transfer to Capital Project Fund (11033013-930000) to Fund 2035 Fire Station Capital Project Fund, Transfer from the General Fund (20350600-039110). Transferring \$50,790.30 rather than \$41,800.00 provides a buffer to cover any additional vendor invoices.

Adopted: September 1, 2026.

Attest:

x

John Q. Webb, Council Chair Pro-Tem

Date:

September 1, 2026

x

Cristina Guilford, Town Clerk

Date:

September 1, 2026

Archival Ref: TC agenda item #26-74



RESOLUTION

Number 2026-044

To Accept Unanticipated Revenues Related to Finance Department Activities.

WHEREAS, Section 9.15 of the Town Charter authorizes the Town Council to apply for, accept and expend funds from a variety of sources to be used for public purposes; and

WHEREAS, the Finance Department has experienced a variety of events during FY2026 which require the unanticipated expenditures of town funds for auditing, retiree health and a State of New Hampshire loan payment; and

WHEREAS, FY2026 General Fund interest revenue exceeded budget by approximately \$689,000.

NOW, THEREFORE, BE IT RESOLVED IN COUNCIL that the Town Administrator is hereby authorized to accept **\$86,487** in unanticipated revenues and reimburse the various Finance Department accounts as follows:

- 1) a **\$41,500** budget adjustment to FY 2026 General Fund – Finance **Audit Expense** (14020000 -301000) from OMO General Fund interest earnings (14405000-035020).
- 2) a **\$30,319** budget adjustment to FY 2026 General Fund – Finance-OMO **Retiree Health** (14420001-210000) from OMO General Fund interest earnings (14405000-035020).
- 3) a **\$14,668** budget adjustment to FY 2026 General Fund – Finance-OMO **Legal Expense** (14420004-320000) from OMO General Fund interest revenue (14405000-035020)

This Resolution shall take effect immediately upon its passage.

Adopted September 1, 2026

Attest:

x

John Q. Webb, Council Chair Pro-Tem

Date: September 1, 2026

x

Cristina Guilford, Town Clerk

Date: September 1, 2026

Archival Ref: TC agenda item #26-73



ORDINANCE

Number 2026-002

Reauthorize the Derry Commercial/Industrial Property Tax Exemption Program

WHEREAS, Section 5.1 of the Town Charter designates the Town Council as the governing and legislative body of the Town, and pursuant to Section 6.1, the Council shall legislate by ordinance; and

WHEREAS, a goal of the Town Council is to encourage economic development opportunities throughout the Town; and

WHEREAS, the Derry Commercial/Industrial Property Tax Exemption Program will provide additional incentives to expand, modernize, and relocate businesses to Derry; and

WHEREAS, the State Legislature has amended RSA 72:80-83 which provides the Town Council the flexibility to determine the public benefit of development applications submitted before it;

WHEREAS, the Derry Town Council approved the Commercial/Industrial Property Tax Exemption Program on October 1, 2019 pursuant to Ordinance #2019-010 and has since expired;

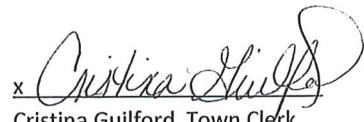
NOW, THEREFORE, THE TOWN OF DERRY TOWN COUINCIL reauthorizes the Derry Commercial/Industrial Property Tax Exemption Program, as enumerated in Chapter 138 of the General Code, continuing with the following guidelines:

- 1) The Program shall apply to all properties within the Town;
- 2) The maximum exemption amount of new value shall be 50%;
- 3) The maximum duration shall be for ten years;
- 4) The public benefit shall be as defined pursuant to Section 138-38 of the Town Code.

Adopted: September 1, 2026

Attest:

x 
John D. Webb, Council Chair Pro-Tem
Date: September 1, 2026

x 
Cristina Guilford, Town Clerk
Date: September 1, 2026

Archival Ref: Agenda Item #26-67



RESOLUTION

Number 2026-047

To Accept Easements on Humphrey Road

WHEREAS, RSA 674:40 and 674:40-a authorizes the Town Council to accept streets as shown on a subdivision plan approved by the planning board; and

WHEREAS, the Derry Planning Board approved two multi-family projects along Humphrey Road frontage; and

WHEREAS, the Planning Board further approved a plan to realign Humphrey Road in favor of the Town which will enhance the Town's ability to perform winter maintenance and enhance public safety; and

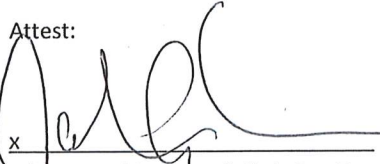
WHEREAS, the Town Council is now requested to approve this easement.

NOW, THEREFORE, BE IT RESOLVED IN COUNCIL that the Town Administrator is hereby authorized to accept easements along Humphrey Road from the Timothy J. Butterfield June 1997 Revocable Trust.

This Resolution shall take effect immediately upon its passage.

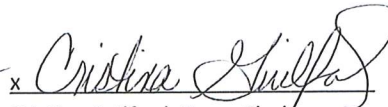
Adopted: September 1, 2026.

Attest:

x 

John Q. Webb, Council Chair Pro-Tem

Date: September 1, 2026

x 

Cristina Guilford, Town Clerk

Date: September 1, 2026

Archival Ref: TC Agenda Item #26-82



RESOLUTION

Number 2026-049

To Authorize a Second Amendment to the Master Development Agreement with LMG-NH LLC for the redevelopment of Abbott Court

WHEREAS, Section 5.1 of the Town Charter designates the Town Council as the governing and legislative body of the Town, and

WHEREAS, the Town Council, pursuant to Resolutions #2021-075 and #2024-066, authorized a Memorandum of Understanding for the Redevelopment of Abbott Court with the Lansing Melbourne Group (LMG-NH LLC); and

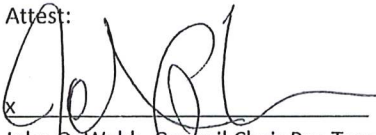
WHEREAS, the Town and LMG have successfully partnered to redevelop Abbott Court and the existing agreement which featured a March 30, 2026 closing date and extended to September 30, 2026 pursuant to Resolution #2026-015; and

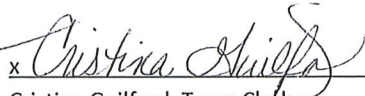
NOW, THEREFORE, BE IT RESOLVED IN COUNCIL that the Town Administrator is hereby authorized to execute an amendment to the Master Development Agreement and all other associated documents with LMG-NH, LLC to extend the closing date until February 1, 2027.

This Resolution shall take effect immediately upon its passage.

Adopted: September 1, 2026

Attest:


x
John Q. Webb, Council Chair Pro-Tem
Date: September 1, 2026


x
Cristina Guilford, Town Clerk
Date: September 1, 2026

Archival Ref: Agenda Item #26-83