

GOFFSTOWN SELECT BOARD
MINUTES TO SPECIAL MEETING OF APRIL 20, 2023

In attendance were Vice Chair Peter Georgantas, Selectman Collis Adams, and Selectman Jim Craig.

Also in attendance were:

Meeting Facilitator – Marcus Ralston, Business Resource Specialist, NH Dept. Business & Economic Affairs, Div. Economic Development.

Goffstown Staff - Derek Horne, Town Administrator, Jo Ann Duffy, Planning & Economic Development Director, Adam Jacobs, Public Works Director, and Pete Walker, VHB – Town Engineer Consultant.

Developer of Residences at Hadley Falls - Bob Simonds, SMC and Jason Craven – Attorney.

New Hampshire Department of Environmental Services - Mark Sanborn – Assistant Commissioner, NHDES; Corey Clark – Chief Engineer, Water Division, Dam Bureau, NHDES; Ted Diers – Assistant Water Division Director, NHDES; Steve Doyon – Chief Dam Safety Engineer, Dam Bureau; and Dan Mattaini, PE – Operations & Maintenance Engineer – Water Division, Dam Bureau, NHDES.

Piscataquog River Association - Andy Cadorette

9:30AM CALL TO ORDER/PLEDGE OF ALLEGIANCE

Vice Chair Georgantas called the meeting to order at 9:30 a.m. and led those in attendance in the Pledge of Allegiance.

A description of the subject matter discussed is included in the attached *Hadley Fall Dam Project On-site meeting – Summary*, prepared by Business & Economic Affairs (BEA).

The Select Board took no action or made any final decisions on any matter at this meeting.

ADJOURNMENT

Vice Chair Georgantas adjourned the meeting at 11:00 a.m.

Respectfully submitted,
Derek M. Horne
Town Administrator

These minutes are subject to approval of the Select Board.

Hadley Fall Dam Project On-site meeting – Summary.

Hadley Falls Project - Dam disposition: Project No. P-5379-008

Date: April 20th, 2023

When: 9:30 am – 12 Noon

Where: Goffstown Town Hall, **16 Main Street, Goffstown**, lower-level meeting **room 106**.

Purpose: Onsite meeting between the NHDES, Goffstown Municipal leadership and the Hadley Falls, LP Development organization. To discuss the current disposition of the Hadley Falls Dam located in Goffstown, NH. Address lease terms, development opportunities, FERC (Federal Energy Regulatory Commission) licensing/permitting requirements, budgeting/resources impacts and other related challenges to reach consensus on desired outcomes, action steps & timelines associated with concluding a long-term planning regarding the future of the dam.

The BEA will organize and facilitate the initial meeting(s). With the expectation of handing off responsibility once an action plan can be developed and accountabilities assigned between the affected parties.

*Reference documents attached

Proposed agenda Items: (please suggest modifications or additions)

Town Selectmen Quorum achieved – official validation of meeting.

1. Share historical context; Confirm current condition of dam and what may be required to make it operational again (if possible), to generate power and create revenue.

Hadley Falls Dam was built in 1921. The State of NH obtained ownership in 1968. In 2007, the hydro-operator ended their lease. The State has not maintained the Hadley Falls Dam since the operator left in 2007. The State owns 277 dams. 60 are classified as high hazard. 29 are found to be in poor condition. The Gregg Falls Dam is operated by Eagle Creek. The Kelly Falls Dam operator will be terminating their lease, as they are now required to install a fish passage.

2. NHDES would also like to discuss the best use of State resources in dealing with Hadley Falls Dam.
 - o NHDES Owns 270 dams in NH and responsible for allocating and justifying capital and operational expenditures at all these sites.
 - o Hadley Falls Dam is one of the three high hazard State owned dams on this stretch of the Piscataquog River,
 - NHDES needs to put the issues at Hadley Falls Dam into context with the needs at the downstream Gregg Falls Dam and Kelley Falls Dam.
 - o The **FERC requirements (Federal Energy Regulatory Commission)** for fish passage at Kelley Falls Dam has moved the current hydropower operator and lessee to issue an application to surrender their license next year and leave the site, additionally future fish passage and FERC requirements will also likely occur at Gregg Falls Dam.

- Resolving these issues and the issue at Hadley Falls Dam will have a significant impact on State resources, and the public who uses the impoundments created by these dams will likely also be affected. Return on investment would be 150 years according to NHDES.
 - High level understanding - Inspection, Permitting of dam construction and reconstruction projects.
- **Dam Disposition:**
- NHDES – Definitive decision made to relinquish/surrender the FERC 40-year license.**
- \$414M required to fix all 270 dams owned by the State of New Hampshire
 - \$300M to repair the 60 dams most at risk.
 - Hydro dams are not lucrative. Hadley Falls dam has been inoperable for many years. Does not generate revenue.
 - 30 days of 60-day deadline to FERC has elapsed.
 - Question asked of the Assistant Commissioner on who makes the final decision. The answer was the decision had already been made.
 - NHDES will give the town until May 5th to respond before sending a response to FERC.
 - Town is welcome to reach out to the Governor and elected officials.
 - NHDES is open to providing information at informal Q&A sessions.
 - Removal can take as many as 5 years and beyond.
 - Negotiated in good faith with SMC Residences at Hadley Falls, and others ongoing since 2006. – NHDEs does not intend to negotiate further regarding the lease agreement
 - NHDES Assistant Commissioner advised that the Hadley Falls Dam is not staying, and that hydropower is not as valuable as it used to be.
 - The only way to move forward is to release the FERC license. He has already notified the Governor. He stated NHDES will communicate with FERC and send a cover letter to the Selectmen and copy the stakeholders.
 - The State will also let the Town know that they are doing the same with the other two dams.
- The Hadley Falls Dam will be removed – Timeline for removal to be determined following letter submission to FERC.
- **Process steps include:**
 - Notify in writing to FERC intention to surrender license.
 - Pursue Funding sources to remove dam.
 - Establish timeline.
 - Develop design plan for removal.
 - Acquire requisite permitting.
 - Address land abutment issues
 - Communicate to officials, State Legislators
- Fishway considerations – Federal requirements, funding
- Agencies affected:
 - NOAA – National Oceanic and Atmospheric Administration
 - US Fish & Wildlife
 - NH Fish & Games

3. Discuss FERC requirements and Licensing issues – Compliance Directives, Resolution deadline.
- Other dam rehabilitation or removals under consideration in financial impact to state:
 - Kelley Falls Dam disposition – Green Mountain relinquished their FERC permit – Walking away which limits NHDES’ options. Prior steam plant. Lots of piping there that may lead to structural instability. FERC requires fish passage be installed if the site remains as active hydropower site.
 - Gregg Falls Dam disposition – if fish passage occurs at Kelley Falls then fish passage is required at Gregg Falls Dam
 - Silver Lake – Belmont
 - Glenn Lake impact
 - Namaske Lake impact
 - Hazard rating state vs. Fed definitions/classifications
 1. High Hazard, Significant Hazard
 2. FERC’s definition of Hazard rating supersedes the states.
4. Hadley Falls LP Lease terms –
 - High level understanding of **lease terms**
 - Amended leasing terms proposed by Jason Craven were reviewed by NHDES and a follow up email was sent to SMC on November 26, 2022 discussing that the State cannot offer beyond what was already offered.
 - On December 6th SMC notified the State via email and stated, “if we don’t hear from you by December 14, 2022, we will assume the State stands firm on its last Lease proposal and we will turn our attention to other uses for the power house.”. Negotiations considered concluded. After SMC ended negotiations, there was no further reason to discuss evolving FERC exemption status with SMC.
 - Ownership of responsibility for associated renovation & maintenance cost relative to revenue generation in making the dam operational
 - What is necessary to reach consensus on shared costs?
 - Suggest alternative leasing terms for consideration.
 - The proposed lease agreement puts responsibility on the State to make needed repairs bringing the structure to code requirements.
 - The partnership would make a significant investment into restoration of the power generation components and structures.
5. Substantial **economic impact to Goffstown** (Joann Duffy, Planning & Economic Development Director, Town of Goffstown)
 - The removal of the dam will have a direct effect on the river flowing through the Village and reduce this to a very shallow area.
 - This will have a detrimental effect on economic development for our town, especially the Pumpkin Regatta and Old Home Day.
 - In addition to a *substantial* negative impact on tax valuation.
 - SMC Residences at Hadley Falls Limited Partnership is developing a multifamily housing project in Goffstown.
 - The developer of Hadley Falls has offered to lease the dam to generate electricity for the new multi-family housing units.

□ **Town Concerns**

- Short turn around on being made aware of the final decision. ‘Outrage, deception by the state’.
- State responded final decision was not made until the end of the week 4/10-4/14 upon exhausting efforts to find funding to allow fish passage at all (3) dams on the river. Choose to notify all local parties including town officials of the already scheduled meeting for 4/20.
- State noted FERC insistence on a ‘Plan and Schedule’ document be submitted with either a plan to restart hydropower generation or plan to surrender the license. This request was no surprise as FERC had done this repeatedly before, however the State has always found an acceptable response showing progress since 2007. This was no longer possible as negotiations with the power house owner had ended, so the letter stating possible license surrender reflected this fact.
- Decision reported to Governor’s office prior to onsite meeting.
- Economic impact study cost of removal vs. repair, stabilization & maintenance
 - ~\$4-5M to restore dam to operational and meet safety specifications.
 - NHDES - Estimated 150yrs ROI.
- Resident reaction to loss of dam, cost to salvage it.
- Indirect ‘soft’ costs associated with removal that will fiscally impact the town.
 - E.g., Annual Pumpkin Regatta
- Missed opportunity in time not being notified of Jim Gallaghers retirement last year.
- Filing 91A freedom of information request should not be necessary to obtain updates on the dam removal process and design plans.
 - Affected parties encouraged to pursue alternative outcome measures through the office of Governor Sununu or others.

6. Table options. Determine go forward plan, outline next steps & timeline.

□ **N H D E S Proposed Next Steps**

- DES encouraged all parties to discuss with their elected officials.
- Will work with a town appointed committee to contribute to the dam removal design in a manner that may be favorable to economic development following the removal of the dam. E.g., Franklin Falls White Water project and Exeter Great Dam removal project
- DES has agreed to participate in informal residential Q&A forums.
- DES agreed to work with a town appointed communication committee to keep appraised of dam removal plan developments.
- Will give Town to **May 5th** to propose alternate plan to salvage dam with the understanding that the state will not take responsibility for the repair of the dam and any subsequent maintenance costs. Must meet all minimum safety requirements.
 - NHDES will sell dam for \$1. Must meet safety standards and fishway considerations. ▪ If any Federal funding is received, the owner of the dam cannot generate revenue. Dam operated as a service.

The following individuals attended: (see appendix for seating)

Meeting Facilitator – Marcus Ralston, Business Resource Specialist, NH Dept. Business & Economic Affairs, Div. Economic Development: marcus.i.ralston@livefree.nh.gov; M: 603-545-7238

The following individuals may attend:

Meeting Facilitator – Marcus Ralston, Business Resource Specialist, NH Dept. Business & Economic Affairs, Div. Economic Development: marcus.i.ralston@livefree.nh.gov; M: 603-545-7238

Goffstown Select Board -

- ~~Kelly Boyer~~, Chair – ~~kelly.boyer@goffstownnh.gov~~;
- **Peter Georgantas**, Vice-Chair - peter.georgantas@goffstownnh.gov;
- **Collis Adams** - collis.adams@goffstownnh.gov;
- ~~Mark Lemay~~ – ~~mark.lemay@goffstownnh.com~~;
- **Jim Craig** - jrcraig@cda-law.com; jim.craig@goffstownnh.gov;

Developer -

- **Bob Simonds**, SMC - [REDACTED];
- **Jason Craven** – Attorney - [REDACTED];

Goffstown Staff -

- **Derek Horne**, Town Administrator - derek.horne@goffstownnh.gov;
- **Jo Ann Duffy**, Planning & Economic Development Director - joann.duffy@goffstownnh.gov;
- **Adam Jacobs**, Public Works Director - adam.jacobs@goffstownnh.gov;
- ~~Scott Osana~~, Town Engineer – ~~scott.osana@goffstownnh.gov~~;
- **Pete Walker** – Town Engineer Consultant

Goffstown Resident/Business Owner –

1. Peter Dearness, Pres. & GM New England Southern Railroad Co. – [REDACTED]

Piscataquog River Association -

- **Andy Cadorette** - [REDACTED]

New Hampshire Department of Environmental Services -

- **Mark Sanborn** – Assistant Commissioner, NHDES - mark.a.sanborn@des.nh.gov
- **Corey Clark** – Chief Engineer, Water Division, Dam Bureau, NHDES - Corey.J.Clark@des.nh.gov
- ~~Rene Pelletier~~ – Assistant Director – Water Pollution, NHDES – ~~RENE.J.PELLETTIER@des.nh.gov~~
- **Ted Diers** – Assistant Water Division Director, NHDES - THEODORE.E.DIERS@des.nh.gov
- **Steve Doyon** – Chief Dam Safety Engineer, Dam Bureau, NHDES - STEVE.N.DOYON@des.nh.gov
- ~~Kent Finemore~~ – Assistant Chief Engineer, NHDES – ~~KENT.R.FINEMORE@des.nh.gov~~
- **Dan Mattaini, PE** – Operations & Maintenance Engineer – Water Division, Dam Bureau, NHDES - DANIEL.J.MATTAINI@des.nh.gov

