Gas Holder Building Committee Meeting #7 January 8, 2021 2:30 p.m. Meeting held via Zoom DRAFT MINUTES

Committee members in attendance:

Councilors Champlin, Kenison, Kretovic, and Todd

Committee members absent:

Councilor Werner (excused)

Guests:

Jennifer Goodman, Stuart Arnett, Jon Chorlian, Liz Hengen, Frank LeMay, Bill Norton, Tim Sink, Ben Wilson, Huck Montgomery

City staff:

Carlos Baía; Matt Walsh

Meeting called to order at 2:31 p.m.

Councilor Champlin read the required COVID opening statement per the Governor's order.

1. Approval of the minutes of December 14, 2020:

Motion made by Councilor Kenison; Seconded by Councilor Kretovic to approve the minutes. Motion approved, in roll call vote, by Councilors Champlin, Kenison, Kretovic, and Todd.

2. ADG Report and Recommendations Summary

Jennifer Goodman stated that the good news is that preservation of the building is doable and would have great community benefit. She stated that immediate action is needed to stabilize the building which would provide more time to negotiate details and align interest and funding for future preservation and redevelopment which was deemed by all stakeholders to be preferable to demolition. She noted that the ADG report is incremental and aspirational.

Ms. Goodman explained that there are three phases proposed in the report. The first requires immediate action where the City and Liberty Utilities would create a working group to develop a memorandum of understanding for the future ownership/management of the site. In this phase, Liberty Utilities would facilitate the emergency stabilization steps recommended by Structures North to leave open the opportunity for future investment in the site.

The second phase, referred to as the Opportunity Bridge Phase, would secure broader redevelopment interest and involve applying for grants, possible TIF creation/expansion, etc.

The third "Restoration/Redevelopment" Phase would entail the full restoration of the building along with additional development/redevelopment on site and in the general area of the southern gateway to the city.

Ms. Goodman noted that since this committee began its work, it has received nothing but positive support and enthusiasm. She announced that the Preservation Alliance was made aware of a major commitment from an anonymous donor for \$500,000 to catalyze action and leverage support from Liberty, the City and other stakeholders.

Questions and Comments from the Committee

Huck Montgomery with Liberty Utilities thanked everyone for being good partners in this project. He stated that Liberty has a strong appreciation for the preservation of the Gas Holder building. He described the ADG report as a great body of work to move forward from. He noted, however, that Liberty's main responsibility is to do what is best for their customers and the public's health and safety. He stated that any costs for this site, presently, would be borne by Liberty's customers and that Liberty's contribution would need to be approved by the Public Utilities Commission (PUC).

Mr. Montgomery stated that it would be appropriate for Liberty to make a request to the PUC for an amount less than the GZA demolition estimate to apply that toward a preservation effort. He would be willing to have Liberty bring that to the PUC as soon as possible. He noted, that Liberty's top priority is to protect its customers from unknown costs in the future. He stated that Liberty is fully committed to working toward a permanent solution for the building.

Jon Chorlian stated that he was impressed with the committee's process and how much has been accomplished to date. He remarked that the Structures North report was brilliant and noted that they were "spot on." He added that the emergency stabilization recommendation is elegant and would be part of any long-term solution.

Mr. Chorlian remarked that he hoped that Liberty's estimated demolition costs took into account additional environmental remediation required with a demolition.

Frank Lemay stated that he felt that there is a commitment from Liberty to provide dollars toward this effort. He acknowledged that the City will need to step up with its access to funding sources such as CDBG and felt that the State would also need to participate.

Mr. Montgomery stated that Liberty would be a partner in perpetuity in this site. He noted that you will never be able to get rid of Liberty Utilities from this site and stated that Liberty is absolutely committed to working with the committee on a preservation solution. He stated that Liberty will remain at the table to facilitate a permanent solution.

Questions and Comments from the Public

Ed Deely stated that he wanted to introduce himself and that he has plans for the site.

Councilor Erle Pierce asked if the cost to Liberty to demolish the building is \$500,000-\$700,000, what is the cost to fully cap the site post demolition. Mr. Montgomery answered that the cost to cap is included in that number. He stated that whatever the demo and capping would cost would be a number that Liberty would have to cover.

David Brooks asked what limits or caveats exist in the anonymous donation. Ms. Goodman replied that at this time all she could say is that the donation is designed to be a catalyst for other investment.

Althea Barton asked if Liberty would store the dismantled elements of the Gas Holder entry for the winter. Mr. Montgomery replied that Liberty would absolutely be open if the Preservation Alliance wanted to retrieve those elements and store them somewhere. He didn't believe that Liberty has the facilities to store them.

Ron Rayner introduced himself as a retired professional engineer and stated that the costs outlined in the GZA study for demolition would need to be updated. He stated that the GZA costs are not inclusive of investigation, sampling, analytical expenses, meetings with NHDES, etc. He stated that a meeting with NHDES would be necessary to understand what they expect in terms of a potential demolition. Mr. Rayner offered to provide an outline to improve the cost estimate.

John Regan asked how Liberty is calculating remediation costs in their demolition estimate. He noted that the GZA demo estimate only includes the building. Mr. Montgomery responded that remediation costs are part of Liberty's long-term commitments and separate from demolition.

Ed Deely asked the committee if the Gas Holder were to become a static monument if that would be acceptable. Councilor Champlin replied that the committee is looking for a successful model. If that were a static monument that preserved the inner furnishings, it could be acceptable.

John Regan noted that the GZA estimate doesn't address the remediation costs when the building comes down. Mr. Montgomery explained that he wasn't himself clear on what those costs would be and this might be something that is only known once the demolition work begins. He stated that if a preservation solution would cost less than the demolition and capping, Liberty would be open to having that discussion. He summarized that it is about keeping Liberty's customers' costs as low as can be for the life cycle.

Ms. Goodman noted that identifying the costs related to the demolition is important. Ms. Goodman thanked Jim Garvin for his referral to Structures North.

Mr. Chorlian stated that he understands Liberty's position that they would not support investment in the site unless it was part of a permanent solution. He noted, however, that no one else would either. He explained that this type of redevelopment plan takes time. He asked if Liberty had the willingness to hold off on demolition for some time longer to allow this.

Mr. Montgomery answered that Liberty's priority is safety. He stated that it was not acceptable to Liberty to further delay the demolition beyond where it is today due to the public's safety. However, he noted that Liberty is committed to allowing for every possible preservation pathway to gestate. He noted that, ultimately, it will be up to Liberty's team to decide when to pull the demolition permit based on their assessment. He noted that Liberty may want to pull a demolition permit to have in hand to be in a position to demolish the structure should the need be unavoidable due to safety concerns.

Ben Wilson remarked that the \$500,000 donation speaks to the value of this building to the community. He also noted that the State can help with the storage of the demolished entry elements.

John Regan asked if the emergency stabilization costs could be recouped from the rate payers. Mr. Montgomery answered that he did not know.

Councilor Kretovic praised the excellent partnership with the Preservation Alliance on this effort. She noted that Liberty Utilities' employees realize how important this building is to the community but she feels that Liberty corporate is tapping out. She remarked that partnering with Liberty on a preservation effort is not viable because Liberty corporate does not want the company to be involved. In light of this, Councilor Kretovic felt that the community should step up and take this over. She stated that perhaps Liberty should just be left to deal with the site's environmental remediation.

Councilor Todd asked what is Liberty corporate's position on this. He noted that Algonquin Power, which owns Liberty, donated \$500,000 to help communities affected by COVID. Councilor Todd asked if there was any possibility that Liberty corporate would make a donation to save this important community asset. Mr. Montgomery stated

that he could talk to corporate but they are not going to make a donation anywhere near the \$3 million estimate needed for full preservation as outlined by Structures North.

Matt Walsh stated that he has experience with environmental remediation and redevelopment. He noted that Mr. Montgomery has repeatedly expressed that Liberty would remain perpetually responsible for the environmental remediation and management on the contaminated site. In Mr. Walsh's experience, this has not been the case for prior owners in other projects. He asked Mr. Montgomery what legal basis Liberty is using for that position.

Mr. Montgomery stated that he could not answer that question but would be happy to have the appropriate parties at Liberty review it. Mr. Walsh asked that Liberty provide a letter to the City explaining the legal framework they believe mandates this responsibility in perpetuity.

Councilor Todd moved for the committee to recommend that City Council accept ADG's report and direct City staff to move forward on discussions with Liberty Utilities as part of the report's Immediate Action Phase with the goal of entering into a Memorandum of Understanding (MOU) with Liberty Utilities to accomplish the subsequent preservation and redevelopment phases outlined as the "Opportunity Bridge Phase" and the "Restoration and Redevelopment" phase.

Councilor Kretovic seconded the motion.

Councilor Champlin, Kenison, Kretovic and Todd voted in the affirmative. Motion passes.

Councilor Kretovic moved to adjourn the meeting. Councilor Todd seconded the motion.

Motion passed unanimously via roll call vote.

Meeting adjourned at 4:04 p.m.

Respectfully submitted,

Carlos P. Baía