



# Town Council Meeting Minutes

Thursday January 12, 2015, at 6:00 PM, in the Matthew Thornton Room

Chairman Harrington called the meeting of the Town Council to order at 6:00 p.m. Present at the meeting were Vice Chairman Mahon, Councilor Boyd, Councilor Dwyer, Councilor Koenig, Councilor Woods, Town Manager Eileen Cabanel, and Assistant Town Manager/Finance Director Paul Micali. Councilor Rothhaus was excused.

## Pledge of Allegiance

Chairman Harrington lead in the Pledge of Allegiance.

## Announcements

On behalf of the Town Council, Chairman Harrington offered condolences to the family and friends of Daniel Bittel, Sr. who passed away on Thursday, January 8, 2015 at the age of 74. Mr. Bittel was actively involved in the community; notably serving as a member of the Merrimack Village District Board of Commissioners, the Rotary Club of Merrimack as well as on the Board of Directors of the John O’Leary Adult Community Center. He was instrumental in the planning and preparation of the Town of Merrimack’s 4<sup>th</sup> of July celebration for many years. He will be greatly missed.

*A moment of silence was observed in memory of Daniel Bittel, Sr.*

Budget meetings will be held on Thursday, January 15<sup>th</sup> and Monday, January 19<sup>th</sup> at 6:00 p.m. in the Matthew Thornton Room. A regular meeting of the Town Council will be held on Thursday January 22<sup>nd</sup> at 7:00 .m. in the Matthew Thornton Room.

Public Comment - None

## Review of Proposed FY16 Budget

Town Manager Cabanel remarked as a general theme throughout the proposed budget; health insurance has decreased due to employees, with the exception of one union, changing to a plan with lesser benefits and contributing 10%. Retirement costs are increasing. All categories of employees have increased. As an example, for the Police Department the employer contribution/Town’s share is 25.30% and for the Fire Department 29.16%. Electricity and natural gas costs have increased. Costs associated with Worker’s Compensation have decreased.

## Welfare

Town Manager Cabanel remarked the budget, as a whole, has increased \$117. Wages have decreased due to a change in hours so that the Administrator’s hours align with regulations of the Affordable Care Act, which determines the difference between a full-time and part-time employee. Line Item #01-25-8399-0 - Social & Health Services has decreased by \$1,300 and Line Item #01-25-8481-0 - Housing (rent and mortgage payments) has increased by \$2,000.

Patricia A. Murphy, Administrator, stated agreement with the summation provided, and noted the increase in the housing line was the result of over-expenditure in the prior fiscal year.

1 Vice Chairman Mahon noted two heating assistance lines, each having a separate number, and  
2 questioned the meaning of the designations. Director Micali responded the account is that of donated  
3 heating/electricity and assistance. The last four numbers are the designation. The 4441 designation is  
4 the State code for public welfare and the 000 the designation for donations. As the monies are being  
5 budgeted through the budget code 4441 is used.

#### 6 7 Public Works Administration

8  
9 Town Manager Cabanel remarked no salary increases are intended with the exception of step increases.  
10 Part-time wages are associated with interns the Town is fortunate enough to have in the summer months.  
11 Health insurance decreased as did Worker's Compensation. The department's proposed budget  
12 represents a decrease of \$54.00.

13  
14 Rick Seymour, Director, Public Works Department (PWD) commented he typically provides a highlight  
15 before each of the divisions is discussed; however, there is nothing more to highlight beyond what has  
16 already been stated.

17 Councilor Boyd commented on the significant increase, over the past few years, to Line Item #01-07-  
18 8260-0 - Telephone. Director Seymour stated the department has transitioned to Smart phones over the  
19 past few years. The cost is roughly \$85/month versus the previous \$40/month. Director Micali noted  
20 the Smart phones provide unlimited data, texting etc., which provides the ability for users to call up  
21 plans, etc. while in the field. When asked who within the department is assigned Smart phones, Director  
22 Micali sated, within the administration, they have been provided to the Director and Deputy Director.

#### 23 24 Highway

25  
26 Chairman Harrington commented the proposed budget is very good. There is very little change, and the  
27 changes that have occurred have been known to the Council.

28  
29 Councilor Dwyer remarked, for the benefit of the general public, it is important to understand the  
30 Council is provided with the budget information in advance of the meeting, and each Councilor has the  
31 opportunity to review the material. In the absence of questions at this point in time, it should be known  
32 the proposed budget does not represent much in the way of change, and any areas where an individual  
33 Councilor may have wished for additional clarification, the opportunity existed to contact the Town  
34 Manager and/or department heads to inquire.

35  
36 Town Manager Cabanel remarked early on in the process she requested direction from the Council as to  
37 what the Council wished to see with regard to the budget. The department heads were tasked with  
38 preparing a budget that addresses the needs. Once prepared, the budget is reviewed by her with the  
39 department heads and any cuts she believes to be warranted are made. Department heads are informed if  
40 an area cut by the Town Manager is one which is believed necessary, the department head should lobby  
41 to have the cost reinstated.

42  
43 Town Manager Cabanel noted Line Item #01-08-8104-0 - Wages - Other Full-Time, decreased as a  
44 result of a retirement and the position being filled at a lower salary. Line Items #01-08-8105-0 -  
45 Overtime - Supervisory and 01-08-8111-0 - Overtime - Other, have increased to be more in line with  
46 actual expenditures.

47  
48 Another area where the budgeted amount was increased to be more in line with actual expenditures is  
49 Line Item #01-08-8341-0 - Sand & Salt. Line Item #01-08-8505-0 - Infrastructure/Paving, has increased

1 by \$10,000. Line Item #01-08-8510-0 - Capital Reserve Fund deposits have increased \$210,000, and  
2 #01-08-8910-0 - Capital Reserve Fund Purchases, has decreased \$978,000. It is those unusual items  
3 such as capital reserve fund deposits in and out, which result in a skewed version of what really occurs.  
4 The Highway budget increased by \$29,246 or 1.19%.

5  
6 Director Seymour noted the Bean Road bridge replacement (\$1.6 million) appears in the capital section  
7 of the budget for Highway Department as does the D.W. Highway paving from Hillsferry Road to  
8 Chamberlain Bridge. Other Capital Reserve Fund purchases include a six-wheel dump truck and a front  
9 end loader.

10  
11 Councilor Koenig remarked it appears, over the past 6-7 years, \$90,000± has been budgeted for  
12 streetlights (Line Item #01-08-8361-0 - Street Lights), and proposed for FY16 is \$110,625. The  
13 response provided was the primary difference is the electricity rate. Councilor Koenig remarked the rate  
14 has been steady for the past 3-4 years, and the Council went through the effort to determine if the  
15 number of streetlights could be reduced, etc. He questioned whether the only difference is related to the  
16 rate. Kyle Fox, Deputy Director, PWD, remarked there were some changes where the department  
17 converted from mercury vapor to high-pressure sodium on the Front Street/Center Street area a few  
18 years back. The amount of consumption is slightly less; however, that has been largely offset by the  
19 increase in electricity cost.

20  
21 Director Micali remarked PSNH is getting caught in what is known, in the electrical industry, as the  
22 gambler's routine. The Town of Merrimack has a third party provider for electricity. In the winter time,  
23 they cannot match the rate that PSNH provides, e.g., winter rate might be 15 cents per kilowatt and  
24 PSNH may have you locked in at 9.5 cents, which means they are losing 6 cents per kilowatt.  
25 Companies will drop off their contract, such as what the Town does, and jump on PSNH for a lower rate  
26 for the months of January, February, and March and then jump off of PSNH and go back to their provider  
27 who can provide it at 7 or 8 cents. PSNH is getting wise to this and stopping it from occurring.

28  
29 Deputy Director Fox remarked he and Director Seymour met with a representative a few months back  
30 regarding LED streetlights to determine where the industry is with that. Manchester is going through  
31 some issues where they don't believe PSNH's rate for maintenance cost is correct; they believe PSNH is  
32 trying to jack the maintenance so it doesn't appear to be as favorable to convert over when in fact they  
33 believe it is. Once that rate is set, other towns will likely start to convert. When asked if the PUC  
34 regulates the rate, Deputy Director Fox stated there was an established rate, and Manchester had designs  
35 on converting quite a number over and was not happy with the rate. He stated his belief that resulted in  
36 Manchester taking them to court.

37  
38 Vice Chairman Mahon spoke of the increase in the capital reserve fund, and questioned what is  
39 anticipated to be needed that necessitates a \$210,000 increase. Director Micali stated the increase is to  
40 cover the Town's 20% share of the cost of bridges; Bean Road, Bedford Road, and Route 3.

41  
42 Deputy Director stated \$10,000 of those dollars is for Opticom traffic light preemptions. Monies were  
43 expended two years prior and most of the Town was gone through. However, there remain some areas,  
44 particularly on the State intersections, where they are not interested in putting the Opticom in, but will  
45 allow the Town to purchase the gear if so desired.

46  
47 Councilor Woods questioned Line Item #s01-08-8371-0 - Maintenance - Grounds (MYA) and 01-08-  
48 8322-0 - Maintenance - Grounds (under Highway); specifically what grounds are being maintained.

1 Deputy Director Fox stated 8322 includes any Town parks or ball fields that aren't used by the  
2 Merrimack Youth Association (MYA).

3  
4 Councilor Woods stated his appreciation of the efforts the Town has made with the Merrimack Village  
5 District (MVD) with regard to salt reduction. He commented the department's request is a slight  
6 increase. Deputy Director Fox remarked the department has approached this a few different ways. The  
7 requested appropriation is close to actual mid 3 average of the past 5 years, and includes sand as well.  
8 The department has started instituting the Sodium Chloride Brine, which puts less salt on the roads.

9  
10 Chairman Harrington questioned who has the responsibility to address trees overhanging roads, e.g.,  
11 private property owner, Town, etc. Deputy Director Fox stated it is case dependent. If there is  
12 imminent danger of a tree falling on the road there is shared responsibility between those in charge of  
13 maintaining the roads and the homeowner. Town Manager Cabanel remarked for the most part any tree  
14 cutting will be the result of PSNH.

15  
16 Chairman Harrington spoke of the decrease to Line Item #01-08-8333-0 - Maintenance-Vehicles. It was  
17 noted the department had over-expended in FY14.

### 18 19 Solid Waste Disposal

20  
21 Town Manager Cabanel stated the increases in Line Item #s01-09-8105-0 - Overtime-Supervisory, 01-  
22 08-8107-0 Wages - Part-Time, and 01-09-8111-0 - Overtime - Other are based on actual expenses.  
23 Director Micali remarked when the Solid Waste Department calls for overtime on a Saturday, they will  
24 go to the Highway Department to see if anyone in that department wishes to work at the transfer station,  
25 recycling building, etc. The issue that arises is those employees have already reached their 40 hour  
26 workweek on Friday. Anyone who comes in to provide coverage on Saturday does so on overtime.

27  
28 Retirement costs have increased. Health insurance costs have decreased.

29  
30 Line Item #01-09-8241-0 - Electricity has increased. Line Item #01-09-8250-0 - Vehicle Fuel has  
31 decreased. Director Micali remarked as is being seen at the pumps, the price of gasoline is coming  
32 down.

33  
34 Line Item #01-09-8333-0 - Maintenance-Vehicles & Equipment has decreased. The decrease is related  
35 to attempts to increase the useful life of trailers. Director Micali stated the trailers are within the Capital  
36 Improvements Plan (CIP) for replacement. It was found if replacing some of the sidewalls with steel  
37 plating an additional 5-7 years of useful life can be gained.

38  
39 One of the largest changes to the proposed budget is an increase in Line Item #01-09-8355-0 - Solid  
40 Waste Disposal. The increase is based on two factors; tipping fees are increasing \$1/ton per contract  
41 and the Town is now paying for recyclable materials whereas in years past it was revenue generating.

42  
43 The proposed increase to Line Item #01-09-8359-0 - Other Outside Services, is related to monitoring of  
44 the closed landfill.

45  
46 Another large increase (\$11,300) is identified under Line Item #01-09-8388-0 - Special Waste Disposal,  
47 and relates to the increase in the number of electronics coming into the transfer station. An increase in  
48 revenues can also be seen matching that amount.

1 The increase in Line Item #01-09-8910-0 - Capital Reserve Fund Purchases, is related to the purchase of  
2 a truck to replace a 1990 GMC.

3  
4 Director Seymour remarked with regard to electronics, the last time the department looked at a full year  
5 there were \$33,000 in expenses for materials shipped out. Only \$22,000 was collected in fees. There is  
6 a desire to increase the fees for television disposal from \$10/set to \$15/set. That would close the gap.

7  
8 Director Seymour noted the department has been seeking ways to increase the amount of recyclable  
9 materials shipped out of the facility. Every year the amount of recyclables goes up (about 1,475/tons per  
10 year). Despite their efforts there seems to be a lack of direction. It is believed having an attendant on  
11 site would be an opportunity to watch loads as they are being unloaded and direct residents, when  
12 appropriate, to the recycle building. There is an expense associated with the addition of such a position.  
13 It was determined to be reasonable that with an attendant onsite 25-28 hours/week, an increase in  
14 recyclables could be seen in the range of 200/tons/year. When considering what that equates to in  
15 tipping fees (\$13,000), the decision was made to include the position with a salary of \$13,728.

16  
17 Steve Doumas, Solid Waste Foreman, stated the attendant would also be tasked with checking on items  
18 for which fees are charged. That individual could also be cross-trained to provide coverage for absences  
19 during the week. The request was to pilot the position to determine if the savings are sufficient to cover  
20 the salary cost.

21  
22 Councilor Dwyer stated his agreement and stated he would be supportive of the addition if signs are put  
23 up. He stated the desire for large, visible signage to help educate residents (on the fencing leaving the  
24 area). Mr. Doumas stated additional signs would be put up.

25  
26 Councilor Boyd remarked a joint meeting was conducted with the School Board several months ago  
27 during which he volunteered Ian's name as someone to work as a Liaison between the schools and  
28 educating students on the recycling program versus what is being discussed at the recycling center. He  
29 questioned if there has been any outreach with the School District in regards to trying to get something  
30 started to utilize a gentleman he believes to be very talented in the area of recycling. Town Manager  
31 Cabanel responded when the recycling campaign was in gear discussions occurred around possible ways  
32 to increase recycling. One of the most important things on the list was to reach out to the schools to see  
33 if students could encourage their parents to recycle. A representative of Northeast Resource Recovery  
34 Association was charged with meeting with Superintendent Chiafery and her staff to discuss programs  
35 available at no cost and for a nominal fee. Town Manager Cabanel stated she is unaware of whether or  
36 not that was followed up on.

37  
38 Town Manager Cabanel remarked although she had removed the \$13,000 figure from the budget, she  
39 also increased Line Item #01-09-8355-0 – Solid Waste Disposal, by \$13,000. If the will of the Council  
40 to include the \$13,000 for the attendant position, that same dollar amount could also be removed from  
41 the solid waste disposal line item with the assumption costs would decrease.

42  
43 Councilor Woods stated his agreement with much of what was stated, and commented on his personal  
44 experiences at the transfer station. He stated his belief the attendant position is something worth trying.  
45 Councilor Boyd questioned whether monitoring the swap shop would be included in the responsibilities  
46 of the attendant. The response was that would be part of the rounds.

47  
48 Councilor Koenig questioned whether the overtime budget would be impacted by having the attendant  
49 cross-trained to fill in when needed. Mr. Doumas stated the intent would be for the attendant to fill in

1 during the normal work week. When short staffed during the normal work week the Highway  
2 Department has not always been able to provide coverage. This individual could also assist with ground  
3 maintenance, e.g., blown trash, etc.

4  
5 Mr. Doumas remarked if the effort is not successful, they would be back before the Council next year, at  
6 which time the Council could say it didn't work, it's gone.

7 Councilor Dwyer questioned whether the swap shop continues to be successful. Mr. Doumas responded  
8 it is busy. When asked, he stated just about every day they go through there and find items that don't  
9 belong. The intent was to remove items from the recycling building, and in that respect it has been a  
10 tremendous success. He added traffic is flowing through the recycling building better than it ever has.

11  
12 Councilor Boyd stated agreement with the comments particularly with regard to the swap shop. He  
13 commented he originally had doubts about the traffic in the swap shop area; however, it flows very well.

14  
15 Councilor Koenig asked for clarification the Town is experiencing a cost to dispose of recyclables. Mr.  
16 Doumas stated the cost to be \$5/ton. Councilor Koenig remarked that represents a savings of \$61/ton  
17 based on what it would cost if the items were thrown in the transfer station. He questioned what it costs  
18 to collect, sort, and deliver those recyclables, e.g., is the \$5/ton cost inclusive of that? Mr. Doumas  
19 stated there is additional cost associated with wages, electricity for compactor, etc. The \$5/ton is the  
20 tipping fee. Town Manager Cabanel added the \$5/ton is the tipping fee, and covers the cost for the  
21 vendor to remove the material.

22  
23 Director Seymour spoke of the new large compactor. Mr. Doumas stated the vendor, E.L. Harvey &  
24 Sons, brought onsite four, 45 yard closed-top containers to be used in the operation. Trucking costs are  
25 included in the \$5/ton.

26  
27 Councilor Koenig questioned the cost, per ton, of running the recycle center. Town Manager Cabanel  
28 stated the information was not readily available, but could be provided. Director Micali noted outside  
29 vendors bringing in recyclables are charged the \$5/ton fee.

30  
31 When asked, Mr. Doumas stated it is likely the attendant would be required to work an 8-hour day on  
32 Tuesday and Saturday with the remaining hours divided throughout the remainder of the week.

33  
34 Councilor Boyd questioned whether the Town continues to receive good value for the fee for the  
35 regional solid waste district. Director Seymour remarked it is a cost. It is tens of thousands of pounds  
36 of material that would otherwise go to the wastewater waste stream or the solid waste waste stream. He  
37 suggested, given the size of the town and the number of people who participate in the hazardous solid  
38 waste collection, Merrimack is likely one of the highest in terms of percentage of involvement. He  
39 remarked the fee is \$10/load and participants can bring up to 50 pounds per load, etc.

40  
41 Councilor Dwyer stated Director Seymour and Mr. Doumas run one of the best departments in Town.  
42 He expressed his gratitude.

#### 43 Equipment Maintenance

44  
45  
46 Town Manager Cabanel noted a decrease in Line Item #01-16-8104-0 - Wages - Other Full-Time, which  
47 relates to a long-time employee leaving and the intent the position will be filled at a lesser salary.  
48 Health insurance costs decreased. Worker Compensation costs decreased. Total department budget  
49 represents a decrease of \$11,539.

1  
2 Vice Chairman Mahon questioned whether the reduction in workers compensation is related to the  
3 modification factor or the classification amounts. Director Micali stated it to be a combination of both.  
4 He noted classification costs have decreased, and the modification rate for FY15 was 66% where for  
5 FY16, because of program with joint loss and the wastewater department having 5 years' worth of no  
6 loss time, the rate is now 59%.

7  
8 It was noted the reduction is due to the safety record in Town, which is the result of a great deal of effort  
9 by department employees. Director Micali remarked this is the lowest the rate has been in his ten years  
10 with the Town. Director Seymour noted the Highway Department has two years of no loss time, which  
11 is phenomenal.

12  
13 Councilor Woods requested clarification on the change in operations relative to smart vehicles. He  
14 commented he sees it as a difficulty for anyone trying to maintain the size and variety of the fleet.  
15 Adam Jacobs, Operations Manager, remarked there are some difficulties particularly with some of the  
16 new emission standards the EPA has placed upon the manufacturer. Some of the systems are becoming  
17 pretty complicated. There are certain portions that can be worked on in-house and others that have to be  
18 sent to the manufacturer. There are computer systems in some of the equipment, e.g., fire equipment,  
19 plow trucks, etc. The work the department continues to farm out is mainly the larger scale items, e.g.,  
20 bucket loader requiring a new set of rims, which requires a lift large enough to get the equipment up in  
21 the air, a fire truck needing equipment weight testing, etc.

22 Councilor Woods questioned whether police cruisers are more at risk than other vehicles with regard to  
23 the ability to maintain in-house. Mr. Jacobs responded he has not seen a large uptick, likely because of  
24 the replacement cycle the Town is on with cruisers. More miles and hours are being placed on the  
25 vehicles than time, which is what would impact the computer system. We are staying ahead of those  
26 types of issues with the replacement cycle.

## 27 28 Buildings and Grounds

29  
30 Town Manager Cabanel stated the costs for health insurance, worker's compensation, and  
31 unemployment have decreased. The largest increase is a \$10,000 increase to Line Item #01-17-8332-0 -  
32 Maintenance-Vehicles, which is related to the proposed dump body for the existing truck in lieu of  
33 purchasing a new piece of equipment. The overall budget increase for the department is around \$8,300.

34  
35 Director Seymour commented on Line Item #01-17-8502-0 - Buildings, noting the department is looking  
36 at the purchase of a grinder pump for the Police Department. There are currently 2 in place, one of  
37 which has been replaced. Also under that line item are costs for carpeting and lawn irrigation at the  
38 Police Department.

39  
40 Councilor Boyd commented anyone coming through the center of Town from April through November  
41 can appreciate how beautiful the Town Hall looks. He expressed his gratitude to Phil Machino and the  
42 department for the care taken in this regard.

43  
44 Councilor Woods questioned Line Item #01-17-8321-0 - Maintenance-Buildings; specifically the  
45 \$15,500 identified as janitorial supplies, electrical and plumbing supplies, ice melt and hand tools.  
46 Director Seymour noted the line item also includes all janitorial supplies for the Town Hall facility (both  
47 buildings). The line item is typically used throughout the year for other items that may fall under  
48 maintenance of buildings. He suggested, if anything, that line item is probably under budgeted. He

1 added since doing janitorial services through part-time staff, they have been able to reduce the amount  
2 of janitorial supplies needed overall.

3  
4 Councilor Koenig questioned the use of ice melt. Director Seymour stated it is used on the sidewalks  
5 and perhaps in front of sidewalks leading to a parking lot. The department purchases an  
6 environmentally friendly material. When asked, he stated the department has shopped the material and  
7 receives a fairly favorable price. Councilor Koenig questioned whether use is necessitated as a result of  
8 drainage problems, e.g., water running across sidewalks. Director Seymour stated it is just to keep water  
9 from freezing and for pedestrian safety. Councilor Koenig stated his hope the Town is making as much  
10 of an effort as possible to reduce salt use, noting applicants coming before the Planning Board are  
11 instructed to minimize salt use, and he is hopeful the Town takes appropriate steps in that regard.

12  
13 Councilor Koenig noted there have been drainage problems in the past with water coming from  
14 rooflines, and questioned whether those issues have been addressed. Director Seymour stated his belief  
15 those have been addressed. He remarked there remain icing issues when there are wet areas from rain  
16 storms, etc.

#### 17 18 Wastewater Treatment Fund

19  
20 Town Manager Cabanel noted the proposed \$11,000 decreases to Line Item #31-10-8104-0 - Wages -  
21 Other Full-Time, which is related to a long-time employee leaving and being replaced at a lesser salary.  
22 The same is true for Line Item #31-10-8107-0 - Wages - Part-Time. Costs associated with Social  
23 Security have decreased as a result of the change in salary. Retirement costs have increased. Health  
24 insurance costs have decreased.

25  
26 Line Item #31-10-8142-0 - Compensated Absences, decreased by \$22,000. Town Manager Cabanel  
27 explained monies are set aside to cover costs associated with retirement.

28  
29 Line Item #31-10-8244-0 Water has increased. James Taylor, Assistant Director/Wastewater explained  
30 some of the increase is related to an increase in water rates. It is also due to the compost facility  
31 upgrade. The Fire Department required a second fire hydrant in the area. That increased the amount of  
32 testing and resulted in a charge for having a second hydrant.

33  
34 Director Seymour noted the proposed purchase of a F-250 4x4 pickup with plow (replace 2005 F-250)  
35 identified under Line Item #31-10-8910-0 - Capital Reserve Fund Purchases as well as costs associated  
36 with manhole/sewer line repair (AB flume and coating) and a Bobcat Toolcat for cross-country sewer  
37 maintenance.

38 Based on the sewer financial model in place, a sewer user rate increase of 8% is proposed. A rate  
39 increase has not occurred in the past two years.

40 Assistant Director Taylor commented the facility will be 45 years old this coming May. Upgrades are  
41 taking place, but as time goes on, equipment wears out. He spoke of the replacement of a flow  
42 measuring device at Anheuser-Busch, coatings for corroded concrete, a sewer pipe from the Anheuser-  
43 Busch facility that connects to the main interceptor, which requires coating, etc. He spoke of the cost of  
44 the utility vehicle noting the department is currently in the second year of the sewer easement clearing  
45 project. EPA requires all sewers in Town be maintained. That utility vehicle will enable the department  
46 to maintain those cross country lines, inspect the manholes with the sewer cameras, and get out 2-3  
47 times a year to ensure those sewer easements are maintained properly.

1 Councilor Koenig questioned the life expectancy of the Bobcat, and was informed it is likely the Town  
2 could get 15 years out of the equipment. The cost includes a bucket and a mower that allows for  
3 numerous attachments. There is also a bed in the back that would allow the user to transport camera  
4 equipment. He spoke of the ability to utilize the bucket attachment noting if there are sinkholes around  
5 a manhole, material could be brought onsite and the issue addressed. The cost includes a trailer for  
6 transportation (although the equipment is street legal).

7  
8 When asked about the 4 x 4 pickup, Assistant Director Taylor stated it is replacing a 2005 vehicle. That  
9 vehicle is still running, but essentially is rusted. He stated his opinion a ten-year cycle on these types of  
10 vehicles is reasonable.

11  
12 Councilor Koenig questioned the increase in Line Item #31-10-8510-0 - Transfer To Other Funds, and  
13 was informed the increase is related to the capital needs identified such as the pickup trucks, Bobcats,  
14 etc. There are also 3 Cat loaders and several other pieces of equipment approaching end of life. When  
15 asked, Assistant Director Taylor stated there used to be a buy-back on those pieces of equipment, which  
16 is no longer in place. It wasn't cost effective to maintain; however, since the Town owned the vehicles  
17 they were retained. Councilor Koenig noted monies are placed in a capital reserve account to cover the  
18 cost of replacement.

19  
20 Town Manager Cabanel noted the fund is depleting fairly quickly, which is one of the reasons for adding  
21 monies. Assistant Director Taylor remarked the goal is always to maintain a \$2 million fund balance,  
22 which includes the capital reserve fund plus the unreserved fund balance, which provides money for  
23 cash flow as well as emergencies. He remarked if the main generator were lost the cost could easily run  
24 \$250,000. When the rate study was approved in 2009 the \$2 million was the identified target number.  
25 The proposed increase is part of the rate study (planned).

26  
27 Councilor Dwyer remarked it was stated the facility is approaching 45 years of age, and questioned what  
28 is perceived as the biggest challenge in the next 3-5 years. Assistant Director Taylor responded the  
29 department has taken a phased approach to improvements; in 2007 part of the facility was upgraded in  
30 what was referred to as Phase I. Phase II was approved at Town meeting in 2012, is underway, and  
31 should be completed by October. Five years down the road will be Phase III, which will finish a  
32 complete overhaul of the treatment plant. Currently pumps and equipment are being run that are  
33 essentially 45 years old. They have been maintained over time, but are less efficient. Flows have  
34 changed quite dramatically, e.g., Anheuser-Busch reduced their flows. Two ten-year loans will retire in  
35 2020. When that expense is dropped the next phase would begin. It helps stabilize the sewer rate to  
36 retire loans before taking on new debt.

37  
38 When asked, he stated a comprehensive plant evaluation was conducted in 2010, which laid out a road  
39 map to be followed. That is what the State requires when using State Revolving Funds.

#### 40 41 Parks and Recreation

42  
43 Town Manager Cabanel stated the total proposed budget for the Parks and Recreation Department  
44 represents a decrease of \$1,782. The majority is associated with a decrease in health insurance costs.

45  
46 Director Micali stated the MYA building was converted to natural gas 2-3 years ago. Having a few  
47 years of historical data at hand, the department is able to budget based on actual usage. The same is the  
48 case for Line Item #01-13-8241-0 - Electricity.

1 Matthew Casparius, Director, Parks & Recreation, remarked he started with the idea of zero based  
2 budgeting and identifying what is necessary to provide the current services. What he discovered was in  
3 some instances the department was over-budgeting, e.g., salary line items not actual. Adjustments are  
4 recommended for Line Item #01-13-8107-0 0 - Wages - Part-Time. The tennis program has taken off  
5 resulting in a proposal to expand the program. The largest change was restoring weekend lifeguard  
6 coverage at Wasserman Park. Director Casparius spoke of visiting the park on half the weekends in the  
7 summer months and witnessing a few hundred people utilizing the park at any given time; half of which  
8 were in the beach area.

9  
10 The proposal is for three lifeguards, one of which would manage the other two. That is the minimum  
11 that would be needed for coverage. The positions would be for 9 weeks (weekends) during the summer  
12 months.

13  
14 Adjustments in the other columns were simply putting in what is needed for existing levels of services.  
15 The net result is an approximate \$1,600 increase in wages in order to have weekend lifeguard coverage.

16  
17 Councilor Dwyer questioned why lifeguard positions were removed from the budget several years back.  
18 Vice Chairman Mahon commented it is likely the reasoning was two-fold; expense and ability to  
19 identify qualified candidates for the position. Director Micali remarked a lot of the weekend coverage  
20 was done on overtime. Back then the lifeguards worked the full 16 weekends.

21  
22 Director Casparius stated his goal would be to hire specific staff for weekends as a means of avoiding  
23 overtime costs. When asked, he stated his belief he would be able to fill the positions.

24  
25 Director Casparius stated his proposed budget does not include the addition of new programs. Work on  
26 the revolving fund is underway. He is currently working on a policy to present to the Town Manager  
27 and Assistant Town Manager/Finance Director.

28  
29 Councilor Woods questioned whether any existing programs have been cut, and was informed they have  
30 not. The reduction seen in Line Item #01-13-8374-0 - Recreation Programs, is due to budgeting more  
31 closely to historical numbers.

32  
33 Director Casparius spoke of the addition of two line items; #01-13-8504-0 - Office Equipment, which is  
34 intended to cover the purchase cost of recreation registration software. The software will eventually  
35 allow for on-line registration, the ability to take credit cards, etc. The second, Line Item #01-13-8505-0  
36 - Infrastructure, to address issues such as repairs to Veterans Park boat ramp. Councilor Dwyer  
37 commented someone placed large rocks in the area, which has created a hazard. He stated his hope that  
38 is addressed as soon as the snow melts.

39  
40 Director Casparius spoke of having conversations with the PWD, Conservation Commission, and the  
41 Naticook Lake Association regarding a better way to solve the issue on a more permanent basis. Being  
42 proposed is a pre-cast concrete boat ramp that would extend from the crest of the hill down into the  
43 water. It would make the ramp much easier to use and navigate while solving the erosion issue. Monies  
44 allocated to this line item would be utilized to purchase the ramps and cover labor costs of Public Works  
45 Department personnel.

46  
47 The Lake Association was looking at putting in a dry well off to the side to help with some of the runoff.  
48 That continues to be discussed; however, the ramp would be a permanent solution.

1 Councilor Dwyer remarked the concrete boat ramp would last for decades. He stated his support of the  
2 purchase.

3  
4 Councilor Boyd noted the overtime reduction of \$680 and the addition of lifeguards on weekends, which  
5 should eliminate the need for overtime. Director Casparius noted the only time overtime was utilized in  
6 FY15 was for the 4<sup>th</sup> of July celebration.

7  
8 Councilor Boyd questioned whether the budget includes the ability to have the skateboard park open on  
9 holidays. Director Casparius responded this past year coverage was not provided for Memorial Day or  
10 4<sup>th</sup> of July although there was coverage for Labor Day. Two years prior on the 4<sup>th</sup> of July the department  
11 struggled to provide coverage, and only 2 children utilized the park. Councilor Boyd commented  
12 holidays are a good time for children to be able to partake in outdoor activities. He commented he  
13 would not want to have a resource available to kids that is not made available.

14  
15 Councilor Dwyer commented there could be a policy that allows the park to open without an attendant.  
16 Councilor Boyd stated he could support that. Councilor Dwyer added he has always been a supporter of  
17 having an attendant at the park; however, having an attendant there 80% of the time is acceptable.  
18 Chairman Harrington stated the desire to discuss the pros and cons of such an action, e.g., liability,  
19 maintenance, etc. Director Casparius stated there are 37 municipally owned skate parks in New  
20 Hampshire, and only 2, including Merrimack, that staff the park. The other is the Town of Meredith,  
21 and they only staff it on weekends. Some have experienced minor acts of vandalism.

#### 22 23 Summer Day Camp

24  
25 Director Casparius remarked a review was conducted of actual expenditures. The proposed budget  
26 represents a slight decrease from FY15; however, is a realistic number. It was noted day camp numbers  
27 fluctuate from year to year. Director Micali noted enrollment numbers are down from prior years.  
28 Director Casparius remarked the department has considered a \$10 increase for the cost of enrollment to  
29 ensure the program is self-supporting.

30  
31 Chairman Harrington questioned the cost of attendance, and was informed a one-week session costs  
32 \$185-\$195 for a resident and \$237-\$247 for a non-resident. That price includes lunch and swimming  
33 lessons.

34  
35 **MOTION made by Councilor Boyd and seconded by Councilor Woods to adjourn the meeting.**  
36 **MOTION CARRIED 6-0-0**

37  
38 *The January 12, 2015 meeting of the Town Council was adjourned at 7:52 p.m.*

39  
40  
41 Submitted by Dawn MacMillan