



Town Council Meeting Minutes

Thursday January 23, 2017, 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 Rothhaus, Councilor Dwyer, Councilor Flood, Councilor Koenig, Councilor Mahon, Town Manager Eileen Cabanel, and Assistant Town Manager/Finance Director Paul Micali. Councilor Boyd was excused.

Pledge of Allegiance

Chairman Harrington led in the Pledge of Allegiance.

Public Comment - None

Review of Proposed FY17 Budget

Although contractual increases are accounted for in the proposed FY18 budget, the 53rd week of payroll that was captured in the FY17 budget has been subtracted. Another similarity throughout the budget is increases associated with retirement and health insurance.

Library

Town Manager Cabanel stated her support of moving the part-time Aide 1 Technical Services position to a full-time position.

Richard Barnes, Chair, Library Board of Trustees, stated the proposed budget represents a decrease (\$2,453) from FY17. One of the positions was moved from an hourly position into a supervisory position. Under Line Item 01-15-8450-0-Library Materials, a new service is identified; Hoopla or streaming video (\$8,000). It is a combination of music, videos, e-books, graphic novels, and comic books for kids.

Yvette Couser, Director, stated the Office Manager position was moved from Line Item 01-15-8104-0-Wages-Hourly to Line Item 01-15-8103-0-Wages-Supervisory, which was a housekeeping item as the position is supervisory and has been that way. There is no actual change.

With regard to the position of Aide 1 Technical Services, Director Couser remarked, in the past, they had a technical Services Head, who is a professional Librarian and two part-time people in tech. services. In 2015, one of the tech. services individuals left, and the position was never filled. Eight hours was reallocated to the remaining Tech. Services Aide. The previous department head left and the new department head that was hired had both indicated a need for additional hours in the department. As a result, she has proposed increasing the position to full-time. The reason for increasing the single position to full-time rather than reinstating the part-time position is because of the technical skills. The difficulty they have experienced is that once someone has that particular set of skills they can take those skills and go to another library and get paid at a higher rate or acquire a full-time position.

Councilor Flood asked about the magazine section. Director Couser responded the State library in Concord has a consortium that any library in New Hampshire can join, and they do group purchases on certain things. One of the group purchases they do is overdrive, e.g., e-books. They did a trial for magazines, something changed with the Nook platform, and as a result they have discontinued those services with the consortium. Now each individual library in the State has to decide whether or not to continue to offer that service and with what. The Library looked at Zinio as a platform. At the consortium meeting the prior week discussions of Zinio continued.

Councilor Dwyer noted the Library has approx. 22 employees 9 of which are full-time, 13 part-time, and a budget of \$1.1 million.

Pete Hinkle, 1 Pondview Drive

Stated his opinion the Library is doing a great job. He stated the need for long-range planning in terms of space needs, and his belief there remains a need for the older technology, e.g., paper books, and the space required to house them. He commented there is apparently a State policy whereby if there remains a single book in a library somewhere within the State it is okay for the rest of the libraries to discontinue theirs. That puts older books at risk.

Chairman Harrington thanked Mr. Hinkle for his comments, and requested he also make the Library Board of Trustees aware of his concerns. Mr. Hinkle spoke of having discussed this in greater detail with the Library Director who he believes to be thinking long-term as well. Councilor Mahon questioned if the Director made him aware they survey their use of books, and if not meeting a specific threshold they sometimes call the collection. Mr. Hinkle stated his understanding of that.

Councilor Flood questioned if particular books are tracked for availability. Director Couser remarked the historical collection is in the Lowell Room behind locked doors. They can be requested for viewing in the building. The oversized of the historic collection are stored in her office because they don't fit on the shelves in the Lowell Room. In terms of historic books in the collection, she has never weeded them. She commented some of the books Mr. Hinkle has requested seem to be coming from academic libraries, and an academic library will have a very different collection mission than a public library. She remarked when looking at the floorplan of the adult materials, the concern she has is the very top shelf and the very bottom shelf; most people can't get down on their hands and knees to get a book off the bottom shelf, etc.

If patrons want to have seating and they create those spaces then something has to move because it is displaced. She has discussed with staff looking at the space in terms of what they struggle with in terms of service to people. When they run a collection report they set parameters, e.g., if a book has not circulated in 3 years it is looked at. They are very careful when looking at an item to determine if it is still of value. Typically what is touched are the popular materials and making space for the new popular materials. She stated discussions would occur with the Board of Trustees once staff can really pinpoint and articulate to her what they are really struggling with, where there is a safety issue, etc.

Assessing

Town Manager Cabanel stated the budget to be basically flat. Loren Martin, Contract Assessor, remarked there are very few changes overall from FY17.

Councilor Koenig spoke of the Capital Reserve Fund (CRF) that allows for the periodic revaluations to be conducted without resulting in a spike in the budget.

Code Enforcement

Michael Currier, Fire Chief, stated the budget to represent a reduction (\$2,272) from FY17. The one major purchase falls under Line Item 01-06-8504-Office Equipment; replacement of a large format color printer/copy machine (\$9,900). The current machine is used by Health and the Fire Department, is 10-11 years old, and can no longer be serviced. It was used to provide copies to the public and scan color copies of prints. The Fire Marshall and Building Inspector review plans in color. Sprinkler plans, as an example, are intricate and include multiple colors to highlight problems and areas that need to be changed. The scanning capability also allows prints to be placed on disc for filing thereby decreasing file sizes. The current machine can no longer perform that function.

Councilor Koenig questioned the maintenance/material cost of running the copier. Chief Currier stated, within the Building Department's budget, there is an approx. \$1,500 allocation. He noted he is uncertain what the cartridge cost would be for the new machine, and if that would result in an increased amount.

Fire

Town Manager Cabanel stated a great deal of time has been spent by many reviewing personnel within this budget, which is one of the largest single expenses. Intuitively everybody realizes that we don't necessarily have enough staff to provide continuous coverage to the Town. She spoke of the data gathering and research that was done in this regard and the collaborative efforts of many to reach what is believed to be the most appropriate budget for FY18.

Town Manager Cabanel stated it had been her intention to add the four (4) additional Firefighters, which represents 1 position per shift, into the whole year. Because of other expenses such as overall increases in retirement, etc., the decision was reached to have those positions in the FY18 budget for half of the fiscal year (January 2018 rather than July 2017).

Town Manager Cabanel spoke of the level of review the overtime line receives, and that she was not confident, with the amount of time that was required to be expended in review of the proposal for the additional positions, that adequate preparation had been done to be able to have a detailed discussion at this time. However, during the Council's January 30th meeting, they would be prepared to discuss that with an eye toward trying to reduce it more.

Chief Currier stated most of the budget is pretty straight forward. Under Line Item 01-03-8203-0-Operating Supplies, additions proposed include auto pulse bands, EZIO needles, and CPR AED supplies. When they first received those items, Assistant Chief Pierson was able to put free supplies

for two years into the bid package. That has run out, and those items are now being included in the budget.

Line Item 01-03-8204-0-Uniforms, Personnel Protective Clothing, has been increased based on the proposal for four new Firefighters.

Line Item 01-03-8406-0-Emergency Management includes replacement adapters for chemical, biological, radiological, and nuclear (CBRN) protection. The existing adapters have been in-house for nearly 18 years. They have a 12-year lifespan. Because of the department's storage methods, the manufacturer allowed for them to be extended, but will not extend the life of those units any longer. Line Item 01-03-8508-0-Operating Equipment identifies the purchase of a new hazardous materials extractor for the cleaning of personal protective equipment (\$15,000). One of the leading causes of Firefighter hazards is cancer, and part of the standard operating guidelines is to ensure that after every fire, exposure to a chemical or biological, e.g., blood, the equipment is washed. The current one is 20 years old, and does one set of gear. It is starting to show signs of problems. The new one will do half a shift's worth in one load.

When asked about the Self-Contained Breathing Apparatus (SCBA), the department received grant funds for he stated the equipment was delivered earlier in the day. Training starts next week.

In addressing the issue of personnel, Chief Currier provided a PowerPoint presentation ([copy attached](#)). He stated there to be too many back-to-back and multiple calls leaving the Town inadequately protected too often. There has been a 23% increase in calls overall and a 36% increase in Advanced Life Support (ALS) calls (2 responder min. for Basic Life Support (BLS) calls versus 5 responded for ALS calls) since 2010 (the last time the department had 9 Firefighters on duty).

Chairman Harrington questioned the staffing level that existed prior to 2010, and was informed from 1999 to 2010 there were 9 on duty. Prior to that staffing was at 8.

ALS calls are life threatening calls. Required for those calls are an ambulance with 2 people on board and an engine with 3 people on board. If there is the need for CPR, someone still has to drive the ambulance. A Firefighter is taken off the engine and put into the ambulance to do CPR or continue advanced life care. At times, another Firefighter is taken off the engine (puts 4 on the ambulance) to help monitor vital signs, etc.

Councilor Flood questioned the need for the engine itself rather than the individuals utilizing another type of vehicle. Chief Currier provided the example of an ALS call by the lake, which is a ten-minute ride. If they are able to stabilize the patient upon arrival, they no longer need the engine or its personnel. When returning to the engine those Firefighters are in service right away. They can go from there to another call instead of driving all the way back to the station to retrieve the engine for the next call. That is their tool box. There are EMS supplies on the engine, equipment for fire protection, hazardous materials, etc. They could leave that call, start driving back, and get called out to a motor vehicle accident two blocks from where they are. They are close and can render aid right away.

Chief Currier explained further there are times when even during BLS calls, assistance is needed; BLS calls can be related to obese patients that cannot be lifted by two people, there are some homes with small/steep staircases, and two people cannot get the patient down the stairs effectively without

injuring them more or injuring a Firefighter's back.

There has been a significant increase in mutual aid; 2016 there were 29 incidents where it was provided and 90 where it was received. There were sizable Workers' Compensation claims in 2015/2016.

Town Manager Cabanel commented when seeing incidents of mutual aid being received from other communities it is an instance of other communities augmenting our staffing. That is an indication that we are not necessarily adequately staffed, which is not the intent of mutual aid.

Chief Currier spoke of projected future development; housing units (234), apartment units (680) commercial/industrial sq. ft. (716,744). Councilor Koenig commented it would be interesting to understand the growth that has occurred since 2010. Chief Currier stated his belief Kyle Fox, Director, Public Works Department, could provide that information.

With regard to back-to-back and multiple calls, three months (January, July, and December) were chosen as examples for the sake of the discussion. Brian Borneman, Assistant Fire Chief, provided a chart showing each hour of each day of each month, and identified the call volume, the type of call, and whether there were single or multiple calls in the same hour(s). He stated they are responding to all of the calls, but are putting a lot of stress on the system because they do not have what they believe to be the necessary manpower. Chief Currier commented if it takes 2 or 5 people for an ALS, once that ambulance leaves Town it takes about an hour for them to retrieve the patient from the call, get to the hospital, offload the patient, meet with the doctor or nurses, download the information, start the paperwork for the hospital, re-stock supplies they receive from the hospital, and get back to Town. Those 2-5 people are gone from our resource for 1 hour. If it is an ALS call with 4 guys in the ambulance that is half of the staffing working their way back to Town.

Chief Currier spoke of the hours required for EMS certification and training; water rescue, ice rescue, confined space, rope, trench, search, rescue, hazardous materials, vehicle extrication requirements, fire proficiencies, helicopter landings, etc.

A chart was provided that depicted the number and percentage of fire related and EMS calls in 2010 (Fire: 879 or 38% - EMS: 1,507 or 62%) and in 2016 (Fire: 1,154 or 39% - EMS: 1,768 or 61%). Another chart identified the specific types and percentages of EMS calls in 2010 (BLS: 743 or 49% - ALS: 764 or 51%) and 2016 (BLS: 730 or 41% and ALS 1,038 or 58%). That represents about a 38% increase in ALS calls alone. That requires a minimum of 2 to up to 5 people on an ambulance.

A graph was displayed that identified mutual aid given and received between 2010 (26/26) and 2016 (29/90). Mutual aid is designed for large incidents, e.g., when there is a large fire and a lot of people are needed mutual aid comes in, when instances occur where there are up say 4 EMS calls in an hour, mutual aid comes in. Mutual aid should not be coming in 90 times a year.

With regard to the Workers' Compensation claims, cost incurred in 2012 was \$41,066.45 and in 2016 \$162,649.25. Phil St. Cyr, Risk Management Coordinator, Primex stated: "The Workers' Comp trend indicates that claims frequency and severity are on the rise for the Merrimack Fire Department. It should be noted that there are a couple of sizeable claims." Town Manager Cabanel noted the figures

used begin in 2012 as that is when the Town began consistently using Primex for Workers' Compensation.

Councilor Koenig questioned if the claims could be attributed to a lack of staffing or a particular severe injury. Chief Currier responded most of the incidents over the past few years can be attributed to either on-the-job or stress off the job. He explained a lot of times there is mandatory overtime; a Paramedic works a 24-hour shift, another calls in sick, which results in the Paramedic being required to work another 24-hour shift. That can happen up to 3 times. After 48 hours of running the calls, their skills start to deteriorate. You start making lifting mistakes. If you work 72 hours you know when you go home you have 1 day to get everything else done because you are coming back to work for your normal 24-hour shift the next day. That can result in short-term injury claims. They may not be workers' compensation, but are coming from the point that they are being worked a lot.

Chief Currier provided a spreadsheet depicting recently completed and currently in process development in Town.

When asked why a parking garage would be included in development that would add to the workload, Chief Currier responded when they have one car fire in a parking garage it is usually about 3 or 4, and depending upon how far below grade the garage will be designed (closed in on all sides), they have to go down in there to find it, which requires special firefighting equipment, special stand pipes, etc. It could be very manpower extensive for a single car fire. When asked how often the department is responding to car fires in a parking garage, Chief Currier stated they have only had a few at Fidelity at this time. The trucks don't fit inside so everything has to be hand-carried up.

A chart was displayed that identified shift coverage from 2010-2016. In 2010, each shift consisted of 2 officers (1 Captain / 1 Lieutenant), 2 Firefighter/Paramedics, and 5 Firefighter/EMTs. Presently each shift consists of 2 officers (1 Captain / 1 Lieutenant), 2 Firefighter/Paramedics, and 4 Firefighter / EMTs. Being proposed for 2018 is 2 officers (1 Captain / 1 Lieutenant), 2 Firefighter/Paramedics, and 5 Firefighter/EMTs.

Councilor Koenig remarked the activity that is occurring won't change because new Firefighters are being brought on board. What will happen is the ability to respond to those multiple calls in an hour will ease up a little. Chief Currier stated agreement. Councilor Koenig commented one of the most telling statistics is the amount of mutual aid that has been received this year. Any time the department is short staffed it is placed in the position of calling for mutual aid. He questioned if mutual aid is called in when there are two teams out so that there is coverage at the station. Chief Currier stated he does not call mutual aid in for coverage unless they have a working building fire. Ninety eight percent of the mutual aid coming in is going to the scene to assist. The only time they call mutual aid to cover a station is when it is an engine and everybody and the mutual aid companies are busy; they go out to the next layer; Londonderry, Manchester, etc. to come in and cover the stations for the next call. Ambulances don't do mutual aid for coverage; they just go, if needed, to the scene.

Chairman Harrington questioned the number of times private ambulance companies have had to be utilized. Chief Currier stated private ambulances are not used at all. They use the mutual aid group that they have an agreement with. He noted Nashua sub-contracts AMR, and Merrimack is a member of Nashua's mutual aid group.

Approved: February 14, 2017

Posted: February 15, 2017

Chairman Harrington stated concern with waiting until January to bring the additional Firefighters on board. There is a 23% increase in calls, she believes there to be consensus that the safety of the citizenry is being questioned because of availability, the safety of the Firefighters is exemplified by the increase in Workers' Compensation claims, and mandatory overtime is occurring too frequently.

Town Manager Cabanel stated agreement with the concerns stated. She stated, from her perspective, waiting until January was strictly a monetary issue.

When asked why the new position was identified as a Firefighter rather than Firefighter/Paramedic. Chief Currier spoke of the difficult time getting qualified Paramedics that are Firefighters into any department in the State. There are no incentives for Paramedics to leave another community for Merrimack. Last year they began training their own Paramedics. He has a Paramedic who has completed his first year, there is another that was just hired and has nearly completed his second year, and there are two more in the waiting for next year. The desire would be to get to the point of having 3 Paramedics/shift. By doing that, mandatory overtime would drop as there would be more individuals to draw from.

Assistant Chief Borneman stated the intent is to post for a Firefighter, Paramedic preferred. They don't want to get locked into having to find 4 specific Paramedics.

When asked, Chief Currier stated the New Hampshire State Eligibility list is in process now. It is usually available end of July/beginning of August. He spoke of the time needed for the recruiting process. Councilor Dwyer commented it may be that the department wishes to hire a Firefighter and give him/her the opportunity to become a Paramedic. He suggested a financial incentive could possibly result in more Firefighters taking advantage of such an opportunity. Town Manager Cabanel noted during the last contract negotiations they differentiated and increased the wages of a Paramedic versus a Firefighter whereas they previously fell in the same category.

Chairman Harrington stated the need to stop the cycle of mandatory overtime, and commented that could impact an individual's decision of whether or not to come to Merrimack. She questioned the additional cost of hiring in July rather than January. Assistant Town Manager/Finance Director Micali stated the total cost for a full year of four Firefighters, including uniforms is \$361,475. The additional cost resulting from the positions being effective July 1st would be \$175,138. Whether four individuals could be on staff by July 1st is another matter.

Councilor Dwyer stated the Town currently has 8 per shift, but it is not really 8 men. There is a 36 member staff, 36 times an average of roughly 3 weeks of vacation is over 100 weeks. Every week someone is out on vacation. Every week there is already forced overtime. That to him is a broken company. Were he to have a private business he wouldn't run it that way. He does not see how 8 is working. He is in favor of the 4 positions. He is not in favor of raising taxes in order to accomplish it, but he is not in favor of running the department the way it is going. By adding 1 individual per 4 shifts puts the department where it is supposed to be. The overtime budget totals \$527,000. He does not believe spending over half a million dollars in overtime is the right thing to do.

Chairman Harrington stated Councilor Boyd requested she ask if the Chief foresees anything in the next 3 years that the Council should be considering. Chief Currier responded a new fire station is very

important. The current station is very outdated. Continuing maintenance on the fire stations in the next few years will probably go up because even Station 1 is starting to show some wear and tear. With regard to staffing, you have to decide what number you want. By contract we allow 2 Firefighters and 1 Officer to be out. If the desire is to be staffed at 9 you need to put 11 people on. There will be 1 on vacation. Then your overtime will drop because you are at that minimum staffing.

Chairman Harrington commented she would suspect the number of mutual aid calls would decrease. Chief Currier remarked it all depends on when you are dropping. If there are 9 on duty and you drop to 8 that is where they are currently. That would mean you are not providing any more personnel to offset all of those calls, they are just using that 1 person to offset overtime. If you want to offset calls you have to add the 9 and stay at the 9, and then your overtime doesn't change. If you think that at that 9 constant is going to benefit the calls then that is where that overtime number is.

Town Manager Cabanel stated the request is not for 9 all the time right now. What they currently do that is requiring the mandatory overtime is staffing always to 8. That is why overtime is up. What is being proposed is to have 9 people on a shift and dropping to 8 if someone is out. The Chief is indicating over the next 3 years the desire may be to have 9 and maintain 9 as being the mandatory rather than dropping back down to 8.

Councilor Flood commented it will border on irresponsible if not doing something about the staffing. She is of the belief summer would be the best time to hire if that coincides with new Firefighters graduating. Given the development occurring in Town it is silly to think this is the last time the number of personnel will have to increase.

Councilor Flood questioned overtime associated with holidays, e.g., if employees receive overtime simply because their shift falls on a holiday. Assistant Town Manager/Finance Director Micali responded the only people who get overtime on a holiday in the Town are those working the holiday. The 8 Firefighters that are on staff working on the 4th of July will receive overtime for working the holiday.

Vice Chairman Rothhaus asked about the call division. Chief Currier stated they are going to try to reinvigorate that program. They ran a test and had 4 or 5 candidates; 1 passed. It is not that it is a difficult test, but their Firefighter 1 and EMT has to be paid for, and they have a general aptitude test built by an outside firm, to qualify for that program. Beyond that is a physical ability test. There are a lot of people that don't pass the physical ability test. Out of the program that was run they received 1. They plan on running a few through the summer to see if they can reinvigorate that program. If it turns out they cannot, then they have to look at doing away with the program and putting those funds to an area where they can be better utilized. Assistant Chief Borneman remarked they have several call guys that they trained and hired. A lot of them are looking for a full-time job. They come, put in some time, and then move to another department.

Assistant Town Manager/Finance Director Micali noted the Fire Department has outside details to be covered. Similar to Police details, these costs are tax neutral. The Fire Department has three events they cover. Town Manager Cabanel noted the figures listed are estimates. Monies expended are offset by an equal amount of revenue.

Approved: February 14, 2017

Posted: February 15, 2017

Councilor Koenig spoke of the discrepancy between the department's request and the Town Manager's budget. Town Manager Cabanel responded there have been discussions with Ribfest as an example as to the number of Firefighters attending the event. That will be re-evaluated. They had a lawyer contact the Town to inform us they would not pay any of the bill. She and the department will be evaluating the level of staffing for that event.

Councilor Mahon questioned the purpose of the Firefighters being present. Chief Currier responded for large events such as that they can be on scene for any medical events. During the last Ribfest multiple patients were transported out for broken legs, etc. The Fire Marshall inspects how vendors handle propane initially, and rather than having hi return for inspections, the crews on duty include those inspections in their walk arounds. They look for propane storage, handling, etc. just to keep the public safe. They do a pre-plan for all major incidents to consider how to handle likely scenarios that could impact the safety of attendees.

Vice Chairman Rothhaus commented he had a large complaint from a vendor who participated at Ribfest with regard to cost. Although he knows how the fees were derived, he would like Merrimack to look at other communities for examples. Town Manager Cabanel spoke of having been employed in Laconia for 11 years. Expenses associated with Bike Week were much higher and included crazy amounts of money that had to be paid for renting space as close as possible to the event from private owners. The Town had a fee. Then there were other fees for propane tanks, inspections of food, etc.

***There being no objection, the Council took a five-minute recess at 8:05 p.m.
The Council reconvened at 8:10 p.m.***

Proposed Issuance of Debt

Assistant Town Manager/Finance Director Micali spoke of the General Fund debt service, which impacts the tax rate. The Town has two bonds; one expires in 2018 and the other in 2023. The total debt payment for FY18 is \$426,650; principle at \$390,000 and interest \$36,650. The two bonds are Greens Pond Land Acquisition Bond (15 year; last payment August 15, 2017 for \$270,000) and the Drainage Bond (15 year; \$120,000 due on August 15, 2017 and two principle payments; one in August and another in February). It starts getting principle heavy towards the latter part of the bond. When the bond was taken out in 2008, the bond bank had to work hard to get people interested to get the best rates for the community, which is why it is back heavy principle.

He spoke of the discussion that will take place at the January 26th meeting regarding the Highway garage. He provided information on how a 30-year bond for \$3.3 million would look. The interest rate is estimated at 3.75% and the total payment for the first year would be \$231,000 (would be lower for the remainder of the 30 years). This bond, if approved, would supplant the \$270,000 bond payment, which has been in effect for 15 years. There would not be a need to raise additional appropriations for either a 20-year bond or a 30-year bond. The interest would total \$1,856,000 for a 30-year bond. Looking at a 20-year bond, the total payment in the first year would be \$269,000. Interest rate is estimated to be 3.25%. The interest would be \$1,072,000.

Because the Town has such a small amount of debt, it utilizes the New Hampshire Bond Bank. The bond bank bonds all smaller communities and those with a small amount of debt. They lump them all

Approved: February 14, 2017

Posted: February 15, 2017

together to try to obtain the best interest rates possible. In discussion with the bond bank he was made aware they have seen an uptick in interest rates in the past 6 months. The last sale they had was a 2.75% for a 20-year bond (last July).

Town Manager Cabanel stated that to have been one of the areas of concern when the last bond issue was put forward; overlap in the bonds. That would no longer be the case.

Councilor Flood questioned the Town's credit rating, and was informed the last time one was received it was Aa. There is a cost associated with obtaining a credit rating of \$15,000 - \$20,000. Town Manager Cabanel noted the bond bank receives very favorable rates. They are Aa as well. The better the rating, the better the interest rate.

Fire Protection

Assistant Town Manager/Finance Director Micali stated fire protection to be hydrant fees that are fully offset by a special assessment on those in the area. This is down on Manchester Street. For the last few years it has been budgeted at \$86,000. There is a large jump of about 19% due to Pennichuck having gone before the Public Utilities Commission for a rate increase, which is projected to be approved at around 20%.

Town Manager Cabanel stated the reason why it is a separate fire protection area, and people residing in that area have to pay a separate amount of money, is because the water is coming from the Pennichuck system and not from the Merrimack Village District. Pennichuck has much higher rates and will be having even higher rates. The rates are set in October. Typically in June/July the Town receives a communication from Pennichuck informing of the monthly charges.

Revenues Announcements

Assistant Town Manager/Finance Director Micali stated the major increases include \$50,000 from the cable fund to the general fund to help offset taxes. Revenue identified includes State and Federal grant dollars for bridge projects, transfer from CRF, a surplus number similar to that approved by the Council last year (\$300,000), fire and ambulance revenue dollars, which was raised to \$675,000 (FY17 was \$650,000). A spike has been seen in building permits. That line was raised to \$135,000 (\$100,000 in FY17). The auto registration line has been raised from \$4,300,000 in FY17 to \$4,400,000 for FY18.

Chairman Harrington noted out of the total appropriations (approx. \$30 million) that voters have to vote on, approx. \$16 million has to come from property taxes. Nearly half of that appropriation is gained from other areas, e.g., grants, fees, etc.

Adjourn

**MOTION made by Councilor Dwyer and seconded by Councilor Mahon to adjourn the meeting.
MOTION CARRIED 6-0-0**

The January 23, 2017 meeting of the Town Council was adjourned at 8:39 p.m.

Submitted by Dawn MacMillan