



Town Council Meeting Minutes

Thursday January 26, 2017, at 7:00 PM, in the Matthew Thornton Room

Chairman Harrington called the meeting of the Town Council to order at 7:00 p.m. Present at the meeting were Vice Chairman Rothhaus, Councilor Boyd, Councilor Dwyer, Councilor Flood, Councilor Koenig, Councilor Mahon, Town Manager Eileen Cabanel, and Assistant Town Manager/Finance Director Paul Micali.

Pledge of Allegiance

Life Scout Nicholas Roy led in the Pledge of Allegiance.

Announcements

The Town Council will conduct a budget meeting on Monday, January 30th at 6:00 p.m. Regular meetings of the Town Council will be conducted at 7:00 p.m. on Thursday, February 9th and February 23rd. A special meeting of the Town Council will be conducted at 7:00 p.m. on Thursday, February 16th. All meetings will be held in the Matthew Thornton Room.

Due to a State of New Hampshire Department of Motor Vehicles software upgrade, the Town Clerk's office will not be able to conduct any motor vehicle registrations or related transactions from Friday, February 17th through Tuesday, February 21st. Please plan accordingly if you have a new registration, a temporary plate that will be expiring or your registration renewal is due during the month of February.

Merrimack Police are currently accepting applications for the position of full-time patrol officer. The deadline for application submission is Friday, February 3rd. Please contact the Human Resources Department for further information.

Perfluorooctanoic Acid (PFOA) Information Update

A representative from the New Hampshire Department of Environmental Services (NHDES), Department of Health & Human Services, visited the Town Manager to make her aware the random blood testing results will be available within the next few weeks.

Public Comments

Chairman Harrington read the following letter into the record:

I was one of the 908 votes against the Warrant Article two years ago. At the time, I thought we should retire older bonds before we spend \$3.3 million on a new garage. There is no question we need a new garage at the existing site on Turkey Hill Road. I would encourage the Town Council to extend the bond to 20 years or more to mitigate the tax impact on our taxpayers, and not take the cheap way out for the proposal.

Lastly, the DPW contract is in its last year; I would like to see a better deal negotiated given the better working conditions resulting from the new garage. What I see are union self-serving contracts paid

1 *for and by the private sector who could never receive the same pay increase percentage elsewhere.*
2 *Sincerely, Steven A. Miller, 42 Belmont Drive."*

3
4 Chairman Harrington noted contracts are in place for another two years.

5 **Recognitions, Resignations and Retirements** - None

6
7 **Appointments** - None

8
9 **Public Hearing** - None

10
11 **Legislative Updates from State Representatives** - None

12
13 **Town Manager's Report**

14
15 Merrimack Police would like to remind residents of the winter parking ban, which is in effect until
16 April 15th. Vehicles cannot be parked on the roadways between the hours of 11:00 p.m. - 6:00 a.m.

17
18 **Consent Agenda** - None

19
20 **Old Business** - None

21
22 **New Business**

23
24 **1. Committee Appointments**

25 Submitted by Town Council Chair Nancy Harrington and Vice Chair Finlay Rothhaus

26 The Town Council to consider appointing the following individuals to Town committees, pursuant
27 to Charter 4-8:

- 28
29 - Ralph F. Gerenz (Heritage Commission – Full member)
30 - Paul F. McLaughlin, Jr. (Planning Board – Alternate member)

31
32 Chairman Harrington stated both candidates were interviewed, and are well qualified.

33
34 **MOTION** made by Councilor Boyd and seconded by Councilor Mahon to appoint
35 **Ralph F. Gerenz as a full member of the Heritage Commission pursuant to Charter 4-8.**

36 **MOTION CARRIED 7-0-0**

37
38 **MOTION** made by Councilor Boyd and seconded by Councilor Koenig to appoint
39 **Paul F. McLaughlin, Jr. as an Alternate Member of the Merrimack Planning Board pursuant to**
40 **Charter 4-8. MOTION CARRIED 7-0-0**

41
42 Councilor Mahon remarked, in the interest of full disclosure, he has lived in Reuben Cummings'
43 Grandfather's house on Naticook Road for the last 40 years.

44
45 *Oath of Office administered by Chairman Harrington to Ralph Gerenz and Paul F. McLaughlin, Jr.*

2. Eagle Scout Project Presentation

Submitted by Life Scout Nicholas Roy & Parks and Recreation Director Matthew Casparius
Life Scout Nicholas Roy to present his Eagle Scout Project proposing to build an equipment storage shed for the benefit of MYA Softball at Reeds Ferry Softball Field #2.

Life Scout Nicholas Roy stated his Eagle Scout project proposal to be the construction of an 8'x12' equipment shed for the MYA Girls Softball team. The shed would be located next to the Reeds Ferry Softball Field #2. The shed was requested by TerryAnn Bowen, Program Director, MYA, Girls Softball. The current shed located at Field #1 is too far of a distance from Field #2, and is overcrowded.

Life Scout Roy displayed photos of the fields. The location of the shed is parallel with the dugout and out of the way of the game. The area is very uneven. A photo was provided highlighting the difference in height of the four corners, which will have to be leveled. Topsoil will be removed exposing the bare hard ground. Crushed stone will be packed and leveled off to accommodate New England winters.

The shed's appearance will match that of other sheds in Reeds Ferry; roof style will match the dugout, T1-11 exterior sheathing, corner boards, architectural roof shingles, and a matching paint scheme. Plan details include: floor framing; 2"x8" pressure-treated lumber, wall framing; 2"x4" lumber, roof framing; 2"x6" lumber, all framing 16" on center, roof pitch to match nearby dugout, and 5'x6'8" door (double doors).

Estimated cost (inclusive of 10% contingency) is \$1,695. Fundraising efforts will include bake sales and an online Go Fund Me site. Discounted materials will be sought from Reeds Ferry Lumber and Home Depot, entities that have been supportive of scouting projects in the past. Labor will be provided by Life Scout Roy, other scouts, and family and friends. Any funds in excess of what is required would be donated to the Parks and Recreation Department.

The months of January and February will be spent gaining necessary approvals, March on fundraising, and April construction. Project completion is anticipated in time for April 30th; Opening Day for the softball season.

Councilor Mahon questioned if consideration was given to locating the shed directly behind home plate; there is a fence there and it would provide easier access for both dugouts. Life Scout Roy responded that area was considered. However, that ground is more uneven.

Councilor Flood stated the desire to participate in the bake sale in some way, e.g., if aware of the date, time, and location she could plan on purchasing items. She suggested he provide that information so that the Council could make an announcement at a future meeting.

When asked if the location was approved by the MYA, Life Scout Roy stated it was. When asked if the shed doors would open toward the field, he stated they would. Councilor Koenig questioned the design of the foundation, and if assistance was sought to provide an understanding of the necessary depth, etc. Life Scout Roy stated his intent to remove the top soil to get to the hard surface and pack concrete and gravel to ensure the stability of the site. Councilor Koenig commented he has seen projects have to go down 2-3' or more to get below the frost line. Councilor Mahon noted the Building Inspector would be a good source of information.

MOTION made by Councilor Boyd and seconded by Councilor Koenig to approve the Eagle Scout project proposed by Life Scout Nicholas Roy to build an equipment storage shed for the benefit of MYA Softball at Reeds Ferry Softball Field #2, and furthermore that the Town offer any assistance that may be required for him to perfect and complete the project. MOTION CARRIED 7-0-0

3. 2nd Quarter Financial Review

Submitted by Finance Director Paul T. Micali

Finance Director Paul Micali will review the key financial information of the quarter ending December 31, 2016.

Assistant Town Manager/Finance Director Micali stated the 2nd quarter ended December 31, 2016. He stated his belief, at this time, there are sufficient appropriations and revenues to cover the operation of the Town, and he believes revenue projections will be met.

Health insurance costs have decreased by approx. \$200,000 as a result of a change; half the Town went on a deductible plan (\$1,000/\$3,000) as of July 1st. Two thirds of the other half went on the plan January 1st. Additional savings will be seen in this area. The savings was accounted for within the budget.

The budgeted costs associated with the New Hampshire Retirement System have seen a slight increase for Group 1 (filling of vacant positions) and Fire (due to overtime). Police shows a decrease (due to vacancies).

With regard to overtime, there is a large spike in the Fire Department (\$125,000 more than at this time last year) due to a solid 8 workforce, Workers' Compensation claims, etc. A slight increase is seen in the Highway Department.

With regard to revenues, auto registrations are tracking a little higher than the previous year (roughly \$100,000). The expected revenue was increased in the budget. The trend can change depending on what happens in Washington, e.g., tariffs on foreign vehicles, etc. Assistant Town Manager/Finance Director Micali stated the Town is finally starting to see an uptick in interest received from the banks. With regard to building permits, although the revenue numbers are slightly less than where they were last year at this time (approx. \$6,000), he is confident the \$100,000 budgeted amount will be met.

The Town is in good financial shape. The audit was just received, and was a clean audit. Only 1 senior management point was made; the auditors would like to see the Library trust funds reconciled on a monthly rather than quarterly basis.

When asked about the percent expended to date in the Solid Waste Disposal, Assistant Town Manager/Finance Director Micali noted at the beginning of the year a Purchase Order is placed to set aside funds for gasoline, diesel, and tipping fees. The majority of cost for Solid Waste is the tipping fees.

When asked, he stated there to be two occasions during the year that debt service is paid; August and January. The monies shown as remaining represent the January interest.

4. Highway Garage Presentation

Submitted by Public Works Director Kyle Fox

Proposed Highway Garage options to be presented to the Town Council.

Town Manager Cabanel commented members of the public might wonder why she would propose the Highway garage as part of the budget when that was done 3 years ago. When the matter was put before the voters it received a majority of the votes cast; however, required a 2/3 majority to approve the bonding. She felt it would be irresponsible of her not to present it again given the deplorable condition of the garage. The proposal has been modified to some degree and concerns previously expressed by members of the public have been taken into consideration, e.g., that an existing bond retire prior to issuance of another thereby allowing the payments of a new bond to replace one that has retired.

Kyle Fox, Director, Public Works Department (PWD) provided a [PowerPoint](#) presentation (copy attached). Three years ago a committee was formed, which conducted a comprehensive space study, and developed a plan with which to move forward. The plan was put before the voters and was supported by a majority, but fell short of achieving the 2/3 majority required to bond.

The department has taken the work done by the committee and, together with H.L. Turner Group, brought it to the next level.

The current facility was constructed in 1973 to meet the needs at that time. It is a pre-engineered steel frame building, which means it wasn't designed specifically for the department, but rather a cookie-cutter design, which was placed on the site. In the mid-1980s two additional maintenance bays were added for the equipment maintenance function the department performs. The current building size is 8,800 sq. ft. as a footprint. Through the years, the Highway staff built a second floor increasing the usable space to 11,700 sq. ft. Photos were displayed showing the interior of the building highlighting the individual spaces.

Director Fox noted in 1973 the population in Merrimack was 10,638. Today it is approx. 25,648 (256% increase). In 1973 there were approx. 109 center line miles of road whereas today there are about 170 (56% increase). Director Fox stated these increases to be what drives the need for the project. The Highway garage has plenty of issues; however, it is simply not large enough to support the needs of the Town at its current size.

In 1973, there were about 10 employees. Today there are 27 full-time employees, and 4 full-time summer maintainers. In 1973 there were about 15 pieces of equipment whereas now Highway alone has more than 40. At the facility itself, through the equipment maintenance function, they maintain over 200 pieces of equipment from all departments (town-wide). Councilor Mahon questioned when the department began maintaining the Town's vehicles, and was informed that information could be provided. Councilor Koenig commented the presentation suggested the Police, Fire, and Town Hall have approx. 160 vehicles amongst them. Town Manager Cabanel stated that to include equipment.

The issues facing the current facility were identified as: too small for the current workforce, poor ventilation in the building (no separation of office area from garage area), electrical is out of code and not sufficient for current demand, inadequate insulation (not improved since '73), and a poor layout/not ADA accessible. All of the issues affect employee safety.

1 Part of the proposal is to renovate the existing building. The building itself, being a pre-fabricated
2 steel structure, the structural steel is in fine shape. As part of the renovation, the proposal includes a
3 new metal roof with insulation, new siding (vinyl/cement board), new ceiling infrared heat system,
4 new fan and louver exhaust, and electrical upgrades to meet current code.

5
6 The existing building would be utilized primarily for vehicle storage. The value of Highway's fleet
7 alone is about \$4 million. Housing that equipment indoors will help protect that investment. It will
8 also improve response time in storms. Presently, there is room for 3 trucks that can be loaded with
9 sand and/or salt. When there is an off-hour storm, three guys can head out on the road right away
10 because they are already loaded up. The rest of the trucks, because you can't keep material in the
11 trucks and have them stored outside, have to wait for the loader to load them one by one before they
12 can get out onto the road. It is predicted response time could be reduced by ½ to 1 hour.

13
14 The existing building would also be utilized for vehicle washing. It is equipped with floor drains and
15 is where vehicles are currently washed. Due to funding constraints funds are insufficient to provide for
16 a wash bay in the new building. That function will remain in the old building. Washing vehicles is
17 critically important to extending the lifespan of the fleet. The renovation cost is estimated at \$439,000

18
19 The entire facility would be gutted and utilized for vehicle storage. In addition, there is a small cold
20 storage area in the back. The intent is to utilize that space to store the sidewalk snow machines. In the
21 corner they have a little space for the sign trailers to keep those out of the elements.

22
23 Councilor Boyd commented it appears as though the space is very tight. Director Fox stated it is, but
24 the operators are professional drivers, and can make it work. Councilor Boyd commented logistically
25 we are going to be asking the community to bond this project, and to bond something that doesn't
26 provide a level of space that would allow a new person hired to be able to navigate a truck in and out
27 would cause him concern. Director Fox commented they are stuck with the footprint they have in the
28 existing building. In addition to this, they will also be able to store vehicles inside of the new building
29 during the winter in similar fashion to the way they do today. The proposal is a concept at this point.
30 They like the flow of having just two end bay doors versus the four they currently have from a heat
31 savings standpoint. During the final design they will nail down which is better for the operations.

32
33 Councilor Mahon questioned and was informed the mezzanine (employee constructed second floor)
34 would be removed.

35
36 Director Fox commented they have broken the facility out into four distinct uses/spaces:
37 Administration, common, maintenances, and building support.

38 39 Administration

40
41 This space includes Foremen offices, Operations Manager's office, and conference room area (1,249
42 sq. ft.). The project would reduce the space in the new building proposal to 1,026 sq. ft. A new floor
43 plan would allow for efficient operation while gaining a conference room.

44
45 Lori Barrett, Operations Manager noted the current reception area is not separated from the public in
46 any way, the space is often cold and drafty, and is plagued with electric problems. Running a few
47 pieces of office equipment at the same time will cause problems. The space also doubles as the
48 dispatch area for winter storms. Because the Foremen offices are upstairs, they are separated from the

1 operation. During storms, with the radios telephones, computer, etc. located in the dispatch area, the
2 foremen tend to be in that area, which results in a very busy space.

3
4 The Operations Manager's Office is located in the mezzanine and doubles as the conference room.
5 Being upstairs, there are heating issues (no control). It is not unusual for the temperature to reach 95
6 degrees by afternoon. It is extremely noisy and exposed to fumes from the garage.

7
8 The existing shared Foremen's offices are very cramped, do not allow privacy for meeting with
9 employees, and are also located upstairs.

10
11 Director Fox stated the proposed layout is much more efficient. It would result in a public entry point
12 where the public could get in, get out of the weather, and be greeted by the Secretary without crowding
13 into the employee's space. A conference room would be available for privacy.

14 15 Common

16
17 This is one of the biggest areas of change in the proposal. These areas include the entry vestibule,
18 lobby, locker room space, showers, toilets for both male and female, lunch room, training room areas,
19 and a kitchen (832 sq. ft.). The proposal would increase the amount of space to 1,768 sq. ft.

20
21 Ms. Barrett displayed photos depicting the existing entry into the garage for the public noting the cause
22 for concern that the public is walking directly into operations, e.g., welding, grinding, washing trucks,
23 etc. The break room doubles as the training room, and is also the kitchen area. At any given time the
24 break room can house 27 workers. There is poor ventilation and no space for rest during extended
25 storm hours. The break room spills over into the garage area, which results in narrow walking areas.

26
27 The co-ed locker room leads to the compressor room and the cold storage area. A photo was displayed
28 of a single fan mounted on a wall, which serves as the exhaust. There is a single shower unit.

29
30 Director Fox stated the proposal for the common space to include a training room, which is much
31 larger than the current space, with an adjacent kitchen, a nicely sized locker room as well as a separate
32 women's locker room, and an additional men's and women's toilet for public and other staff to use.
33 There is a small room intended for plan storage.

34 35 Maintenance

36
37 Director Fox stated this to be the largest area of the garage, which contains the highway shop and
38 maintenance shop. It includes the main maintenance bays, fluid storage, air compressor (appropriated
39 located), tire storage, and parts and supply storage. The area is proposed to increase from 7,575 sq. ft.
40 to 9,390 sq. ft.

41
42 Ms. Barrett stated the bay can fit three (of the 18) loaded trucks, a loader and the sidewalk machine in
43 the bay on the highway garage side. A photo was displayed of the cold storage, which is currently
44 used to store seed, fertilizer, and the roller. It does have a bay door in the back and is the area of the
45 second set of stairs leading up to the mezzanine. During times of storms, concentration has to be on
46 plow trucks. Other department vehicles have to be scheduled or pushed out because there is no space
47 to get them in.

1 A photo was displayed of the equipment maintenance working bay where welding and painting occurs
2 as well as use of the drill presses. The area is not well lit or ventilated and the walls leak.

3
4 The Equipment Maintenance Foreman's Office is located in the same room as parts inventory, and the
5 mechanics use the room as their break room. There are four mechanics and a Foreman that share the
6 space.

7
8 Director Fox stated proposed for the new space would be dedicated space for tires, parts, and fluid
9 storage on the outside of the building, the highway shop, and the welding and fabrication shop, and
10 secure storage for inventory parts.

11
12 Chairman Harrington questioned if the proposed maintenance bays would be taller to allow for more of
13 the work to be done indoors, and was informed they would be. Currently the bays are 16' tall on the
14 equipment maintenance side (highway side only 14' tall), and being proposed in the option they prefer
15 would be a minimum clear space of 20'. The current bays in the existing buildings (front to back) are
16 68', and being proposed is 75'. That would provide the additional walking room needed to operate
17 efficiently when larger equipment is present. That is a big part of where the additional 2,000 sq. ft.
18 comes in.

19
20 Councilor Koenig questioned if the office space utilized by maintenance personnel is on the ground
21 floor, and was informed it is. He questioned if parts storage or another area could be doubled up on
22 with the increased height. Director Fox responded they have not gotten to that level of detail in the
23 design yet (30% design phase).

24
25 Councilor Boyd questioned if there was consideration given to creating the bays where mechanics
26 could be in a space under the floor area to perform work on vehicles as opposed to increasing the
27 height of the building. Director Fox stated that was discussed briefly, but was not considered too
28 seriously. One of the advantages that garages that utilize such a set-up have is that most of the vehicles
29 they work on are about the same size. The vehicles the department works on vary in size by so much
30 that they can't really get a one size fits all operation.

31
32 Doug Proctor, Sr. Vice President of Architecture, H.L. Turner Group, commented if moving in such a
33 direction it would add slightly to the foundation cost. Director Fox stated that could be explored.

34 35 Building Support

36
37 The building support function includes the janitorial closet, plumbing and fire protection mechanical
38 closet and electrical room. Currently the space is 186 sq. ft., and being proposed is 616 sq. ft.

39
40 Director Fox stated there to be three options that were reviewed with the Turner Group. As they were
41 going through the process one of the considerations was whether to go with a steel building like they
42 have currently or look at the timber option. They looked at numerous layouts of spaces, and gave a lot
43 of consideration to the aesthetics and function of the exterior and the building as a whole.

44 45 Option 1

46
47 Pros; it provides the most space (15,555 sq. ft.), steel construction allows a pitched roof, which
48 provides a lot of headroom to do things they cannot do currently, e.g., could bring the ladder truck in

1 and actually put the ladder up (partially) to perform maintenance on it. The roof line would pitch away
2 from the bays. The current facility has roof lines that pitch towards the front and rear of the building,
3 which means every time snow falls off the building it lands in front of the bays, and has to be removed.

4
5 Cons; because of the size of the building and steel construction, it is more expensive (\$2,023,000),
6 which would limit the amount of money available to rehab the existing building (\$176,000), and being
7 a steel building there is an industrial look in a residential area.

8
9 The cost identified for site work was listed as \$250,000 and for soft costs, e.g., engineering,
10 contingency, new equipment purchases, etc. \$827,000.

11 12 Option 2

13
14 Pros; provides adequate space though not as much as Option 1 (14,625sq. ft.), steel construction allows
15 for the high pitched roof, which pitches away from the bays. It is one continuous building although
16 there would be separation from the maintenance bays to the Administration office.

17
18 Cons; because of steel construction it is more expensive (\$1,902,000), which leaves less funds for the
19 full rehab of the existing building (\$264,000), and is an industrial look.

20
21 The cost identified for site work was listed as \$250,000 and for soft costs \$818,000.

22 23 Option 3

24
25 Pros; timber construction with roofs constructed of trust joists to be able to get the spans needed to
26 have the clear space to work (\$1,682,000). It limits the amount of head space compared to the steel
27 structures. They would still have 20' of clear space, which is what is needed and an improvement over
28 existing. It provides adequate space, has a nice residential look with either vinyl or cement board
29 siding. Timber construction opens the project to more competitive bidding, and would allow the full
30 amount of funds needed to do the complete rehabilitation of the existing garage (\$440,000).

31
32 Cons; roofs pitch towards the garage bays, which would be a maintenance headache and lower head
33 space than what they could have. Although lower, it is adequate for the needs of the facility.

34
35 The cost identified for site work was listed as \$250,000 and for soft costs \$806,000.

36
37 Director Fox stated the preferred option to be Option 3. Timber construction provides the most
38 economical building, which would be aesthetically pleasing in a residential neighborhood, and would
39 allow for proper renovation of the existing building. Total project cost for Option 3 is expected to be
40 \$3,178,000.

41
42 Councilor Dwyer remarked he continues to hear comments regarding staying under a specific budgeted
43 amount, and efforts to reduce the cost, which he believes is not in the best long-term interest of the
44 Town. He, along with any other Councilor that has been on the Council during his tenure, has been
45 supportive of a new highway garage. He does not know where the \$3.3 million figure originated. He
46 stated he does not want to build something that isn't going to last, out of wood, skimp on something
47 because there is some kind of perception of a number of what might pass on the ballot. The cost of the

1 new building construction for Option 1 is \$2,023,000 and Option 3 \$1,682,000, but the difference
2 between total project cost is miniscule.

3
4 If all of the work that has been done in the past several months was all about getting under a certain
5 number and not really what the Town needs, he is upset at that.

6
7 Town Manager Cabanel stated the balancing part is the existing building renovation. If the desire were
8 for Option 1 and the complete renovations for the existing building, the cost identified for the existing
9 building renovation, under Option 1, would change from \$176,000 to \$440,000 in addition to some
10 changes in the soft costs. The same is true for Option 2.

11
12 Chairman Harrington suggested the question to be where the restraint is coming from. She suggested
13 it has to do with trying to stay at a bond level that would result in payments that are similar to those
14 existing with the bond that will be retired.

15
16 Councilor Dwyer responded if that is the philosophy he believes they started off on the wrong foot. He
17 commented over the past several years he has never heard the desire to gut the whole site or destroy
18 the existing building and construct an \$8-10 million facility. There has been common ground in the
19 belief the existing building would be very good for something. Whatever it would cost to renovate that
20 correctly is that price. He does not feel this should be approached from the standpoint of the budget
21 rather than the project itself.

22
23 Town Manager Cabanel stated the concern with the budget to have been stressed by her because she
24 wanted to keep the project at a certain amount. It is a number the public has seen before. She
25 reiterated it is very easy to make all three options up to what they need to be by changing the existing
26 building renovation number to \$440,000. She remarked it may be that some are opposed to a wood
27 structure; however, the desire was to provide options.

28
29 Vice Chairman Rothhaus remarked although the Town Manager expressed that the focus on cost was
30 her directive, the Council has owned that for the past couple of years. Everybody is focused on the
31 bottom line.

32
33 Councilor Mahon spoke of the cubic feet of the buildings, and the cost associated with heating. He
34 questioned the cost of operating the building, which was not accounted for. Mr. Proctor stated they did
35 not have actual figures on that. However, noted, as current mechanical codes will have to be followed,
36 it will be increased. There will be a lot more air ventilation coming in to keep everything up to code
37 and there will be a larger volume of space. There will be some efficiency from electrical, but the
38 mechanical costs will increase in comparison to existing.

39
40 Director Fox commented Turner recently completed a project for the Department of Transportation in
41 Derry, which was similar to Option 2, and the heat for that is radiant heating in the concrete slab which
42 is certainly more efficient than trying to heat the whole space through hot air. The most efficient
43 heating source would be sought. Unquestionably, when going from one building to two, the annual
44 costs will increase.

45
46 Chairman Harrington noted part of the current heat loss is due to lack of insulation. In addition, the
47 existing building would only require minimal heating when utilized primarily for storage.

1 Director Fox stated he worked at the garage for five years and Ms. Barrett works there now. They are
2 aware of the needs, and would not present something to the Council they did not believe met or meets
3 current and future needs. They believe any of the three options would meet that goal.

4
5 Councilor Dwyer stated when it comes to the word options, he looks to see a drastic change. Director
6 Fox responded the difference between Option 3 and Option 1 is that drastic change when the same
7 rehab costs are incorporated. Assistant Town Manager/Finance Director Micali commented, were the
8 same (complete) renovation costs to be utilized in the calculation for each of the three options,
9 understanding that soft costs would increase for options 1 and 2, the totals would be approximately:
10 Option 1 \$3.6± million and Option 2 \$3.5 million (on the high end).

11
12 Councilor Dwyer stated the proposal is based 100% on actual need; he does not see any wants in the
13 proposal. A very conservative job has been done on the proposal. Although he appreciates that, he
14 feels there are so many things lacking in the overall picture, although it is the 11th hour and an
15 informed decision is needed by February 14th to get this on the ballot.

16
17 Chairman Harrington questioned the number the Council feels comfortable putting forward for a bond.

18
19 Councilor Flood questioned if a steel frame building could be constructed in such a way that it is more
20 aesthetically in fitting with a residential neighborhood. Director Fox stated it could be. He
21 commented when renovating the existing building they propose a timber frame in between the steel
22 girders and columns so that it can have a more residential look. Councilor Flood noted the site plan
23 will include a lot of landscaping/screening for the new building.

24
25 Director Fox reiterated Option 3 is the one they are promoting as the proper option for the project.
26 There are things about the other options that they like, but factoring everything in they feel
27 comfortable that Option 3 meets the needs. Although very conservative, it does meet the needs and
28 brings the facility light years ahead of where it is currently. He remarked they care a great deal about
29 the aesthetics of the facility. It is located in a residential neighborhood. They believe the garage is in a
30 great location; geographically in the center of the Town.

31
32 Councilor Dwyer questioned what is lost on the new building between Option 1 (\$2,023,000) and
33 Option 3 (\$1,682,000). Director Fox responded the greatest loss is space; approx. 1,000 sq. ft. The
34 biggest area of that space is the bay length (current length is 68' – Options 2 and 3 are 75' and Option
35 1 had bay lengths of 80').

36
37 Councilor Dwyer questioned the impact \$300,000 has on the life of a 30-year bond. He spoke of what
38 the population may be in 10-25 years, and questioned if it would be shortsighted not to go for the
39 bigger bang when it has taken 44 years to build a new garage.

40
41 Councilor Mahon asked Mr. Proctor if there are any rumblings in the industry about the likely impacts
42 in terms of the infrastructure improvements that are being proposed by the current administration. He
43 remembers in the '70s there was a huge infrastructure building piece. The price of building material
44 went through the roof because there were shortages. Mr. Proctor stated nothing is being heard in that
45 regard as of this time. He remarked Turner Group was working on two bond votes last year for two
46 schools, and they are going again this year for bond vote. In that one time period they are paying an
47 additional million dollars on the project budget because they missed on the bond cost (were at around
48 2.4% last year and around 3.6% this year) and also cost went up on certain construction materials

1 (approx. 8%). The way things are right now with the economy getting better, each year you wait you
2 incur additional costs to gain the same thing.

3
4 When asked, Assistant Town Manager/Finance Director Micali stated, if approved, they could be
5 going to bond in July of 2018. The first payment would be 6 months later. Councilor Mahon
6 commented there is talk about 3 or 4 increases by the Fed in the next calendar year. That will add
7 basis points to interest rates.

8
9 Director Fox displayed a drawing of the layout associated with Option 3. He commented some of the
10 nice things about the layout are the definite separation between work areas and administrative areas,
11 very efficient floorplan, etc. The option leads to a conservative cost of the project because of the good
12 layout.

13
14 Turner Group was asked to look at the proposed site plan, and came to the same conclusion the
15 committee had; the optimal place for the new building is in the backyard of the current facility. The
16 location would provide for a nice flow from the bays (front to back) of the new structure to the salt
17 shed (if utilizing the single doors on each end of the building). They would have a new entrance from
18 Turkey Hill Road to get to the new building. The existing entrance would be retained given the access
19 to the fuel island. All of the Town-wide fleet vehicles fuel there. Currently all of the drainage pipe,
20 plows, etc. are stored in the backyard. Some site work will have to be done to relocate those to other
21 parts of the back yard.

22
23 When asked, Director Fox stated staff parking would be in close proximity to the staff entrance door.
24 When asked if it would be sensible to build lean-to-sheds or the like for storage of vehicles that cannot
25 be store out of the elements, Director Fox stated they would probably have to do some of that.

26
27 Councilor Flood requested clarification no work would be done at the existing building; its purpose
28 would be solely storage. Director Fox stated it would be utilized for storage and vehicle washing.

29
30 Director Fox stated the bond request would be \$3.3 million. Although total project cost is estimated at
31 \$3,178,000, there is the uncertainty of the amount of increase that could result based on the timing of
32 the bond.

33
34 Assistant Town Manager/Finance Director Micali stated the Town has two active bonds. He provided
35 a chart identifying the outstanding debt beginning June 30, 2017 (\$390,000 principal/\$36,650 interest),
36 which includes the last payment for the Greens Pond bond, and going through June 30, 2023 (\$155,000
37 principal/\$3,681.25 interest). On a 20-year bond, the first payment would be due in 2019. Total for
38 principal and interest on a \$3.3 million bond is \$269,569, which is just shy of the \$270,000 (\$0.08 on
39 the tax rate) payment that has been in the general fund for the Greens Pond bond. In a 30-year bond,
40 the first year payment would be \$231,688 (approx. \$0.07 on the tax rate). In both cases, the first year
41 payment would be the largest payment for the life of the bond.

42
43 A 30-year bond would result in an additional \$784,000 in interest. The \$3.3 million figure was utilized
44 in the proposal because of uncertainty around construction costs, etc.

45
46 With regard to next steps, Director Fox stated the desire for the Council to approve a concept at this
47 time and the concept of putting forth a Warrant Article for the ballot this year. Should that happen,
48 they would then go into a community outreach phase. They will meet with any local groups that wish

1 to have a presentation provided. They would look to host a few open houses prior to the Deliberative
2 Session. Tentatively scheduled for Saturday, February 11th 10:00 a.m. to 1:00 p.m. and Monday,
3 February 13th 6:00 to 8:00 p.m. A presentation would be made at the Deliberative Session.
4

5 Town Manager Cabanel clarified the desire for the Council to approve a concept. On Monday, January
6 30th the Council would be asked to approve the concept of placing Warrant Article on the ballot. On
7 February 16th a Public Hearing would be conducted, and at that time, the Council would vote to move
8 it forward to the Warrant for the Deliberative Session.
9

10 Vice Chairman Rothhaus commented he is largely into the aesthetics because of the location of the
11 facility. He believes that to be one of the bigger reasons Option 3 jumped out for everyone. The loss
12 of space, 1,000 sq. ft. he believes to be a sacrifice he would accept for aesthetics. He questioned the
13 area where the vehicles will exit the existing building to Turkey Hill Road; if there is enough of a
14 swing for the larger vehicles to maneuver, and was informed there is. He stated the desire to
15 understand the cost associated with fast closing/opening garage doors as an option. Mr. Proctor stated
16 those type of doors to be fabric zip doors, which are usually used in factories where the desire is to
17 isolate different air temperatures.
18

19 Vice Chairman Rothhaus stated agreement with comments made by Councilor Dwyer regarding the
20 desire to ensure the design is quality and long-lasting. Director Fox remarked he truly believes, even
21 though Option 3 is less expensive, that it meets the needs of the facility and is a good long-term
22 solution for the Town. Although a timber structure, the concrete walls on the timber building will be
23 up above bumper height.
24

25 Councilor Flood questioned if the size limitations on Option 3 were necessitated by the timber
26 construction. Mr. Proctor stated a 75' length for the maintenance bay to be pushing the limits for wood
27 trusses.
28

29 Councilor Flood commented she is pleasantly surprised by the cost of renovating the existing building.
30

31 Councilor Dwyer stressed his pride in the Town, and reminded everyone the majority of citizens/voters
32 in Town were in favor of the Highway garage. The technicality of the 2/3 majority is why the proposal
33 failed. He feels the same now as he did then; not for a minute did he think not enough townspeople
34 said yes because of the cost. He does not believe the cost scared voters. If this were to be put before
35 the voters every year he would be okay with that because of how difficult it is to achieve that 2/3 vote.
36 He does not want to be so constrained by a number. He congratulated those involved in putting the
37 proposal together, and commended the employees at the garage for what they have tolerated for so
38 many years. He stated the conditions to be deplorable, and his belief the Town should be doing
39 something better for the employees and department.
40

41 Councilor Koenig stated agreement with much of what Councilor Dwyer articulated; he does not want
42 the Council to skimp or go for the cheapest one because we think it fits under the \$270,000/year
43 number. He commented we want to make the right choice and make the right building. He believes a
44 lot of the voters expressed concern with over-lapping bonds. This is being revisited this year partially
45 because one bond is retiring. He does not believe there is the need to be too anxious about the
46 perceived cost constraints.
47

1 Councilor Koenig commented looking at the photos provided he does not understand the differences
2 and nuances for the 1,000 sq. ft. If Option 1 had longer bays, why is the office space so much larger,
3 etc. He questioned if other things could be done to the aesthetics to put an arched roof or a trust roof
4 over the office space as opposed to a flat metal roof to make it a little less industrial looking. He stated
5 support in approving the concept going forward and is comfortable with the figures being discussed as
6 he believes the Town is ready to accept that for a Highway building that we are desperately in need of.
7 He stated concern if timber is as durable as steel.

8
9 Town Manager Cabanel requested the question of longevity be addressed. Mr. Proctor stated any
10 building properly maintained will last a long time. The problem you run into with public buildings is
11 nobody owns them; it is not like a shopping center where someone owns it that is taking care of it. It is
12 a public building and nobody owns it so nobody wants to take care of it.

13
14 Director Fox added although timber construction, it is not residential timber construction. Instead of
15 2x4 or 2x4 exterior construction, because the walls are tall and because of its purpose, it would be 2 x
16 8 construction.

17
18 Councilor Koenig questioned if there is a difference in the cost of proper maintenance of a large metal
19 building versus a large timber building. Mr. Proctor stated it would be designed so they would
20 probably be maintained the same way. The reasoning for the difference in the designs is in Option 2, it
21 may look a little odd, but it is a totally pre-engineered building. The efficiency of a pre-engineered
22 building is that they are able to create frame where you cannot have a lot of structure to support the
23 siding and roofing. With the wood frame it is less cost because materials are less and you find more
24 contractors that are able to build the wood frame, but it is more framing because you have to support
25 the siding, wall surfaces, etc. When you build a pre-engineered building the exterior wall, which
26 would be an insulated metal panel, in this case, is able to span that distance, and the building will go up
27 faster. They are probably equal in energy efficiency.

28
29 Councilor Koenig questioned if the desire were to do the cement plank or similar on the siding of the
30 industrial building if it would just require filling in the gaps between the metal girders, etc. Mr. Proctor
31 stated you would be adding stud framing in between the girts. They would add framing, sheathing, and
32 siding. You would probably add an interior wall surface as well to protect the framing. That is what is
33 built into the budget for Option 3 for the renovation of the existing structure. Director Fox stated that
34 cost could be provided at the next meeting. Councilor Koenig stated the desire to avoid having the
35 metal sheathing sides if not cost prohibitive.

36
37 Mr. Proctor added there are other things that can be done to metal siding to make the building appear
38 more residential; change the color, corrugation, etc.

39
40 Councilor Boyd questioned the differences in the project as currently proposed versus what was
41 proposed in 2014. Director Fox responded not having been on the committee he cannot speak clearly
42 to the question. However in general the project is very similar. The big difference is back then the
43 committee really looked at space needs, and what came out of the space needs were a bunch of 8.5 x
44 11 cut sheets of different spaces. There was a sheet of paper that said training room, locker rooms, etc.
45 None of it was stitched together. What couldn't be shown to the public was a floor plan. The real
46 push in preparing for this proposal was to get from that study stage to a 30% design concept with floor
47 plans and elevations of what a building would actually look like that meets the needs.

1 Mr. Proctor commented for Option 1 everything on the side of the bays is an exact replication of the
2 space needs asked for. Option 2 is trying to find efficiencies to reduce the square footage. They were
3 able to do that by rearranging things and then that became one metal building going across the whole
4 thing to try to get more construction efficiency as opposed to two different types of steel structures.
5

6 Assistant Town Manager/Finance Director Micali commented the thing the committee did not include
7 were the two maintenance bays. While they garnered efficiencies in the Administrative area, they also
8 gained those maintenance bays.
9

10 Councilor Koenig commented one of the things he felt came across negatively to people last time was
11 the architectural rendering of the building in that it looked like a business park not a public works
12 department. The photos displayed with the proposal look more like they go in the area for a public
13 works department, and don't have the elaborate vertical concrete edges, vertical windows, etc. He
14 stated his belief a lot of folks were turned off by the original renderings thinking it was too much.
15

16 Councilor Boyd reiterated his concern with what he views as space constraints in the parking bay,
17 which speaks to the point made about the facility meeting the long-term needs of the Town. The other
18 concern was with the Council being asked to come to agreement on some type of a concept of what
19 should be moved forward when this was the first time that he had seen the proposals. He wished for
20 additional time to consider the options.
21

22 Councilor Koenig stated his appreciation for the thoughts expressed and agreement with a lot of what
23 was suggested; however, remarked he is a little concerned that the discussion was around renovating
24 an old building, and then complaining that it is not big enough. He is of the belief anything they can
25 get into that old building through renovation is a wonderful addition to what exists today. If they have
26 to leave one of those trucks out in order to gain enough space so that people can maneuver in there he
27 does not believe that is a big problem. He suggested some of the photos may have given the
28 appearance of less space than there would actually be. He stated he is comfortable that renovating that
29 building and being able to use it regardless of what we can put into it is worthwhile, and at that price,
30 he believes there to be a lot of positives there.
31

32 Councilor Boyd stated appreciation for the comments, and remarked he is not at the same level of
33 comfort at this time. He is trying to wrestle with whether it would be an appropriate renovation or
34 dressing up something that will not work efficiently.
35

36 Councilor Dwyer stated he is prepared to move forward and put his trust in the team and the work that
37 has been done. If the Director is supportive of Option 3 he would support that based on the team's
38 report and the work they have done.
39

40 Vice Chairman Rothhaus stated his recollection the renovation was left as this because there was an
41 ability to put an addition on in the future without much effort. We're not going to tear it down; it
42 would be foolish to tear it down. Leaving a steel structure up and not utilizing it would not make sense
43 either.
44

45 Councilor Flood remarked she believes the nature of the steel building is that it has a flat roof of some
46 sort. As far as dressing it up, she likes the idea of a dark color. She trusts that a timber building would
47 be sufficient to meet the town's needs. She commented the Town may already be close to build out,
48 and that what is proposed will meet the Town's long-term needs. If need be in 10-20 years the

1 decision could be reached to tear down the existing building or add onto it. At this time, she is pleased
2 with the direction of renovation.

3
4 Councilor Mahon stated the need to consider the quality of what we are putting together and what we
5 are putting out there. He commented when he first came on the Council they were working to repair a
6 lot of stuff that was put in in the '80s and '90 because it was cheap and quick. As Councilor Dwyer
7 has said this Council is focused on presenting quality projects to the community, and dealing with it in
8 a cost-effective manner. He prefers Option 3. In looking at the presentation and the work that has
9 been put into this effort over the past three years, he is comfortable with what has been proposed.

10
11 Chairman Harrington stated her belief what is being heard is a consensus to renovate the present
12 building. No matter what option, that is a given. She questioned the will of the Council with regard to
13 an option.

14
15 **MOTION made by Councilor Dwyer and seconded by Councilor Mahon to inform the team of**
16 **the Council's preference for Option 3. MOTION CARRIED 6-1-0**

17 *Councilor Boyd voted in opposition*

18
19 Councilor Boyd stated his opposition is not because he does not support a new Highway garage; he
20 does not like being forced to choose after it has just been presented tonight.

21
22 Assistant Town Manager/Finance Director Micali stated he would speak with the bond bank, and come
23 back with options for consideration.

24
25 Town Manager Cabanel asked Councilor Boyd if there was any information that could be provided,
26 prior to Monday that would provide more confidence. Councilor Boyd responded, if he has questions,
27 he will reach out to her.

28 29 **Minutes**

30
31 Approve the minutes from the Town Council meeting of January 9, 2017.

32
33 **MOTION made by Councilor Boyd and seconded by Councilor Mahon to accept the meeting**
34 **minutes of the Town Council meeting of January 9, 2017 as presented. MOTION CARRIED**
35 **7-0-0**

36
37 **Comments from the Press** - None

38
39 **Comments from the Public** - None

40
41 **Comments from the Council**

42
43 Councilor Koenig noted the Planning Board met on the so called Monahan additions (lower level) to
44 the Merrimack Premium Outlets (MPO). Monahan, who originally sold the property to MPO, is
45 buying that piece back, and developing it. The Planning Board did grant conditional use approval,
46 which allows some flexibility in how that land is utilized, e.g., industrial, resident, and commercial
47 because the plans that were brought forward looked like they fit well into that area, will attract the kind

1 of additional combination of residential, retail, and industrial we are looking for, and be an addition or
2 an appeal to that area with respect to the mall and things of that nature.

3
4 He commented he realizes the addition of the hotel impacts the neighborhood somewhat, but they are
5 talking a good deal about buffering and how they will handle that to avoid impacting those who reside
6 there. The Planning Board will have additional opportunity to discuss with them exactly what their
7 plans are. What was granted simply provides permission to move forward. They still have to come
8 through and gain approval for each and every site plan they want to develop there.

9
10 There is talk of a hotel, a retail building or two, including restaurants, three residential buildings that
11 would have underground parking and then shared parking for the remainder of the facility. They are
12 definitely talking about phasing it to where they would get some of the retail in early on. It comes
13 across very excitingly. It is hard to not have at least some confidence that what they are going to put in
14 there will work out very well for Merrimack.

15
16 Vice Chairman Rothhaus asked if the emergency access point off of Camp Sargent Road would
17 continue to be used for that purpose. Councilor Koenig stated it will continue to be a gated emergency
18 access point, but they will be using that lane as part of the lane into their facility. The road that is there
19 will be used as part of the facility but the gate will still be intact and still in control so that you cannot
20 drive through to that neighborhood. It comes into the rotary and will be incorporated as part of the
21 overall project, but the access cutoff will still be there.

22 23 **Adjourn**

24
25 **MOTION made by Councilor Boyd and seconded by Councilor Mahon to adjourn the meeting.**

26 **MOTION CARRIED 7-0-0**

27
28 *The January 26, 2017 meeting of the Town Council was adjourned at 9:57 p.m.*

29
30
31
32 Submitted by Dawn MacMillan