

Approved: November 6, 2014

Posted: November 7, 2014



Town Council Meeting Minutes

Thursday October 23, 2014, 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 Mahon, Councilor Boyd, Councilor Dwyer, Councilor Koenig, Councilor Rothhaus, Councilor Woods, and Acting Town Manager/Finance Director Paul Micali.

Pledge of Allegiance

Councilor Boyd led in the Pledge of Allegiance.

Announcements

The Merrimack Police Department wants to remind the community of this year's Trick or Treat hours, which are Friday, October 31st from 6:00 to 8:00 p.m. Neighborhood streets will have a heavy presence from our police officers and police volunteers for the safety of our children.

Friday October 24th is the annual Halloween Party in the Function Hall at Wasserman Park from 5:00-8:00 p.m. Following the party the movie Ghostbusters will be shown from 8:15-10:00 p.m. This is a free family event for the community.

Election Day is November 4th. Polls are located at the High School, and will be open from 7:00 a.m. to 7:00 p.m.

Acting Town Manager Micali informed the Council and viewing audience of the passing of former Police Chief Frank R. "Pete" Flanders. Chief Flanders was the first appointed Police Chief in the Town of Merrimack. Thoughts and prayers go out to the Flanders family.

Comments from the Press and Public

Steven Tomasso, 146 Baboosic Lake Road

Spoke of having been before the Council on September 11th requesting the Council either establish or amend a noise ordinance relative to roosters. Having not heard from the Council since that time, he requested a status update.

Acting Town Manager Micali stated the directive of the Council was for the Town Manager to look into the matter upon return to the office. It was noted the Town Manager would be returning the following day. Acting Town Manager Micali noted background work has been done, and will be presented to the Town Manager upon her return. Mr. Tomasso questioned when he could expect to hear something. Chairman Harrington stated a hesitation to provide a specific time; however, noted the Acting Town Manager has indicated this matter is one of the first that will be brought to the attention of the Town Manager.

Recognitions, Resignations and Retirements

1. Recognition of the Retirement of Town Employee

Submitted by Human Resources Coordinator Sharon Marunicz

The Town Council will present a recognition plaque to Fire Captain Shawn A. Allison in recognition of his retirement from the Town of Merrimack Fire & Rescue Department effective October 14, 2014. He has been employed full-time by the Town of Merrimack Fire Department since April 3, 1989.

Chairman Harrington noted Fire Captain Shawn A. Allison was unable to be in attendance, and the plaque would be presented to him at a later time. She expressed gratitude to Captain Allison for his service to the community.

Fire Chief Michael Currier stated Shawn Allison was hired in April of 1989, was promoted to Master Firefighter in 1994. In 1998, he was given the honor of the VFW Firefighter of the Year for his commitment to the organization. He was promoted to Lieutenant in 2001 and Captain in 2005. Captain Allison was a certified EMT, Company Officer, HAZMAT Technician, and has many fire rescue classes under his belt. For many years he was responsible for the department's rescue equipment; ensuring it was in ready order, acquiring the necessary equipment, and training department personnel on its proper use. He was instrumental in ensuring the heavy rescue was up to speed with the equipment on hand.

2. Recognition of the Retirement of Town Employee

Submitted by Human Resources Coordinator Sharon Marunicz

The Town Council will present a recognition plaque to Fire Lieutenant Richard P. Barrows in recognition of his retirement from the Town of Merrimack Fire & Rescue Department effective October 14, 2014. He has been employed full-time by the Town of Merrimack Fire Department since November 30, 1987.

Assistant Fire Chief Richard Pierson stated Richard Barrows was hired in November of 1987, and was promoted to Lieutenant on October 12, 2005. His certifications include EMT, Company Officer, Rescue Systems I and II, and HAZMAT Technician. He was also a member of the FEMA Urban Search & Rescue Task Force out of Beverly, MA, where he operated as a HAZMAT Technician.

He received numerous spot performance appraisals throughout his career commending him on his leadership on the fire ground. In July of 1989 Firefighter Barrows was commended for his actions in a HAZMAT response where 75 gallons of kerosene were spilled in a residence. His actions and quick thinking reduced the damage to the contents of the residence. On January 31, 2000, he was commended for his actions at a 2nd alarm structure fire. He was the Acting Lieutenant of Engine 2, which was the first on scene. He and Firefighter Dave Trepaney encountered heavy fire conditions and a report of a subject possibly trapped in the building. They completed a primary search and extinguished the seat of the fire under extremely difficult conditions before the second companies could arrive. On February 24, 2002, Merrimack Fire was dispatched to a building fire on Hartwood Drive. Lt. Barrows, while off duty at home, grabbed his spare set of turnout gear and went to investigate at the house next door. He found smoke coming from the windows of the bedroom on the second floor, entered the building, searched to ensure everyone was out, and went upstairs again to

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close the door to the fire room to prevent the spread of fire. His quick actions saved the home from major damage.

On January 18, 2006, following a storm front that moved through Town, Lt. Barrows and his Engine 2 crew noticed a tree limb on the roof of a house on Turkey Hill Road. They were just driving by and he told the company to turn around to inspect it. Upon inspection he found that the limb had actually gone through the skylight. They also later learned that it was a seasonal home and the residents had left for Florida. He made an effort, through the Police Department to find a caretaker, and the building was secured for the winter to prevent any major damage. Lt. Barrows always put the well-being of his crew first. He retired on October 14th after almost 27 years of service to the Town of Merrimack.

Assistant Chief Pierson thanked Lt. Barrows for his service, compassion, and friendship.

3. Recognition of the Retirement of Town Employee

Submitted by Human Resources Coordinator Sharon Marunicz

The Town Council will present a recognition plaque to Lawrence Gay in recognition of his retirement from the Highway Division of the Town of Merrimack Public Works Department effective November 3, 2014. He has been employed full-time by the Town of Merrimack Public Works Department since January 21, 1990.

Chairman Harrington stated Mr. Gay was unable to be in attendance. The Public Works Department will present him with his plaque. She thanked Mr. Gay for his service to the Town of Merrimack, and congratulated him on his retirement.

4. Town Committee Member Resignation

Submitted by Town Council Chairman Nancy Harrington and Vice Chair Tom Mahon

The Town Council to consider the acceptance of the resignation received from Merrimack Conservation Committee member Thomas Lehman.

MOTION made by Councilor Mahon and seconded by Councilor Boyd to accept, with regret, the resignation of Thomas Lehman from the Merrimack Conservation Commission. MOTION CARRIED 7-0-0

Appointments

1. Annual Review with the Economic Development Citizen Advisory Committee

Submitted by EDCAC Chair Susan Lee

Per Town of Merrimack Charter Section 6-6, at least annually, there should be an annual review with the Economic Development Citizen Advisory Committee. This agenda item is to highlight the committee's significant actions, current projects, anticipated actions, and to raise any concerns the Council should know or could act on.

Susan Lee, Chairman, Economic Development Citizen Advisory Committee, stated over the past year, the Committee continued investigating incentives that might help with business activities in Town. Ms. Lee commented on being before the Council last November making a presentation on RSA 162-K, which was formerly known as the Municipal Economic Development Revitalization Districts, otherwise known as Tax Increment Financing (TIF).

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The next charge was to investigate, study, and prepare a presentation on RSA 79-F, which is Taxation of Farm Structures and Land Under Farm Structures. The Committee spent a great deal of time trying to gain information and confirmation of how the RSA is applied. A presentation of the current draft was made to the Agricultural Commission in June to gain their feedback. That project is ongoing.

The Committee has discussed the idea of having some form of a recognition award for businesses in Town. That project is ongoing.

When last before the Council, the request was made for the Committee to begin reviewing New Market Tax Credits. That is next on the list of projects, once work on RSA 79-F is completed. Some preliminary work has been done on the New Market Tax Credits, which has indicated that project will be fairly complex, and it is likely the Committee will have to look to the State to identify what that means for businesses in Merrimack.

The Committee welcomed a guest speaker, Thomas F. Galligani, Economic Development Director, City of Nashua. Mr. Galligani was before the Committee to discuss the Greater Nashua Revolving Loan Fund, which is a source of funding for businesses that perhaps don't qualify for conventional loans. The Fund provides for assistance in putting together plans, and is a way to borrow. After the initial funding, all monies paid back from loans granted have gone towards making new loans. The fund is administered through Nashua, which gives the impression it is restricted to Nashua; however, it is intended for the greater Nashua region.

The Committee reviewed information shared by Mark T. Broth, Esq. from Drummond Woodsum on the Right-to-Know Law. An evening was spent discussing some of the information gathered to ensure committee business is being conducted correctly.

Ms. Lee remarked she had the opportunity to speak with Tim Thompson, Director, Community Development Department, and questioned if there is something the Committee could help with. Now that the Master Plan update has been accepted, there are in fact a number of economic development action items that need to be implemented. Director Thompson has stated his number one priority for the Committee's assistance is to assist in the development of a user-friendly guide for people coming into town to open new businesses or those who may wish to expand existing business. The guide would provide information on planning; steps that have to be followed, who to contact, etc.

The concern of the Committee is that of membership. In 2007 the Committee was comprised of 11 members. Current membership is 3. The Committee has been discussing effective means of recruiting new members.

Chairman Harrington stated her appreciation of the development of a user-friendly guide.

Councilor Dwyer thanked Ms. Lee for her efforts at the Fall Festival/Business Expo. He remarked the members of the Committee always put forth a big effort for that event, which was a success because of that involvement.

When asked, Ms. Lee stated the Committee meets on the second Wednesday of each month at 7:00 p.m. in the Merrimack Memorial Conference Room.

Legislative Updates from State Representatives – None

Town Manager's Report

Acting Town Manager Micali informed the Council he and Director Thompson met with representatives from AT&T on Tuesday. They had questions about 9 parcels in Town for the possible placement of a cell phone tower. They are in the process of reviewing the information, and will follow-up with Director Thompson.

Acting Town Manager Micali stated he and Police Chief Doyle met with Superintendent Chiafery and other school members to discuss polling location. They looked at the James Mastricola Upper Elementary School (JMUES) complex in response to a request that came out of the joint meeting of the Council and School Board. Additional information is being gathered, and will findings will be presented to the Town Council and School Board in the months of November/December.

Following up on the tree removal request discussed during the Council's September 25th meeting, Acting Town Manager Micali informed the Council he walked the Town owned parcel located on Atherton Road with Mike Powers of Bay State Forestry. Mr. Powers is looking into the possibility of selective cutting in the area. One of the questions posed was why the Town retained the property. Parcel notes refer to potential recreational area. It was noted the homeowner who requested the tree removal had his property surveyed, the results indicate 50 trees to be removed, all of which are on Town property. Mr. Powers is of the belief, with a selective cut; there is the potential for a revenue stream for the Town. Additional information will be provided at a future meeting.

Acting Town Manager Micali spoke of having had the opportunity to attend the recent meeting of the Conservation Commission at which the recently completed Beaver Management Study was discussed. The Commission has 6 areas of high importance they will attempt to manage this fall with additional areas being addressed in the spring. Mayflower/Powderhouse Road was listed as the #1 priority. The Commission is working with a contractor to install a water level indicator and beaver deceivers. It is hoped that work will be completed in the coming months.

Consent Agenda - None

Old Business - None

New Business

1. Committee Appointment

Submitted by Town Council Chairman Nancy Harrington and Vice Chair Tom Mahon

The Town Council to consider appointing the following recommended individual to a Town Committee, pursuant to Charter Article 4-8:

Cynthia Glenn - Merrimack Conservation Commission

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Chairman Harrington stated Ms. Glenn had originally applied for an Alternate position; however, when it was learned a full position is available with an expiration date of 2017, she stated a willingness to serve in that role.

MOTION made by Councilor Boyd and seconded by Councilor Mahon to approve the appointment of Cynthia Glenn as a full member of the Merrimack Conservation Commission with a term to expire June 30, 2017

ON THE QUESTION

Chairman Harrington remarked, during the interview process, Ms. Glenn expressed a long-time interest in conservation.

MOTION CARRIED 7-0-0

2. Donation/Gift to the Merrimack Police Department Community Service Division

Submitted by Captain Mike Dudash

The Town Council to consider the acceptance of a donation/gift of 10 tricycles, valued between \$900.00-\$1,000.00, from Fidelity to the Merrimack Police Department Community Service Division, pursuant to Charter Article 8-15 and RSA 31:95-e.

Captain Mike Dudash informed the Council Fidelity approached the department with ten (10) bicycles; five (5) boy and five (5) girl Huffy bikes (new). Fidelity has been making donations through their Community Relations Division, and decided to give them to the Police Department. The monetary value is approximately \$900.00-\$1,000. A request was made that the department present them in some manner to the youth in town. The idea of a Halloween Fun Night came to be. Between the Parks and Recreation Department and Robert Kelleher from the Police Department a costume contest will be run and the bikes given out as gifts.

MOTION made by Councilor Boyd and seconded by Councilor Dwyer to accept the donation/gift of 10 bicycles, valued between \$900,000 - \$1,000, from Fidelity to the Merrimack Police Department Community Service Division, pursuant to Charter Article 8-15 and RSA 31:95-e. MOTION CARRIED 7-0-0

3. Permission to Pursue Assistance to Firefighters Grant (AFG)

Submitted by Assistant Chief Brian Borneman

Fire Department would like to pursue an AFG grant for the purposes of replacement of Self Contained Breathing Apparatus (SCBA).

Assistant Chief Brian Borneman stated the request to be for the authority to apply, accept, and expend the Assistance to Firefighters' Grant (AFG) for the purposes of replacing outdated self-contained breathing apparatus (SCBA), which are beginning to fail and incurring increasing maintenance costs. The grant is to replace the current compliment of SCBAs that are at the end of their projected life cycle (15 years). The new SCBAs will be fully compliant with NFPA 1981, 2013 edition.

Total cost of the grant could range from \$347,000- 400,000, depending upon cost at time of purchase. Based on the demographics of the Town of Merrimack, acceptance of the grant would require a ten percent (10%) price match; therefore, the Town's portion could be up to \$40,000.

The AFG Grant will include all SCBAs, masks, spare bottles, and other associated equipment to complete the project. If successful in the grant application, the department expects delivery in late spring 2015.

Assistant Chief Borneman commented the Merrimack Fire Department is an all hazard department that responds to all types of emergency calls including; structural and vehicle fires, hazardous materials, carbon monoxide incidents, and confined space rescues to name a few. All of these incidents require an SCBA to operate safely. SCBAs are the single most important piece of safety equipment we provide our personnel that allow them to operate in dangerous environments. Without SCBAs, along with the clothing that makes up our firefighters protective envelope, our personnel could not effectively do their jobs.

The current SCBAs are three generations old, and were built to 1997 standards. When purchased, they were very good pieces of equipment and have served us well. The SCBAs were designed prior to 9/11/2001. Since the terrorist attacks on 9/11, new SCBAs are required to be chemical, biological, and radiological compliant. This is a critical component of the new technology incorporated into new SCBAs.

Regardless of the outcome of the grant, the need exists to replace the SCBAs. The cost of \$347,000 has been included in the next Capital Improvements Plan (CIP) spread out over a three consecutive years. Assistant Chief Borneman remarked Merrimack Fire Rescue is always trying to move in a progressive direction as well as provide a better service to our community and a safe work environment. By replacing end-of-life cycle equipment, they will be able to continue to provide a high level of service. The AFG grant comes out once a year (since 9/11). Over the years they have become more directed. There have been three updates to the equipment since the time of purchase; 2002, 2007, and 2013. All have incorporated updates that have been found to increase the level of safety provided to the firefighters.

Assistant Chief Borneman stated the current equipment is at end of life (13, 14, and 15 years old). Most of the SCBA bottles have one (1) hydro cycle left. He reiterated this is the most critical piece of equipment provided to the firefighters to do their jobs.

When asked, Assistant Chief Borneman stated there would be forty four (44) pieces replaced. Councilor Rothhaus questioned whether any monies have been budgeted in the current budget towards replacement. Assistant Chief Borneman responded it has been discussed for some time, but due to the difficult economic times, the purchase has been pushed back. When asked about maintenance cost, he stated there to be maintenance dollars budgeted; however, he did not know the figure off the top of his head.

Councilor Rothhaus commented in theory every 15 years or so an entire compliment would have to be replaced. He questioned if there is a way of breaking it up. Assistant Chief Borneman responded this started to be looked at about 7-8 years ago. At one time the discussion was around phase replacement. He believes what is proposed is the better way because of training, maintenance issues, and the frequency of changes to the equipment. If purchases were staggered there would be a mix of standards, e.g., face pieces can go back one standard but not two, etc. It starts to become a compliance issue as well as a maintenance and training issue.

Councilor Rothhaus suggested replacement begin to be planned five (5) years in advance of the next required purchase. Assistant Chief Borneman stated his belief the grant application will be successful given the Federal Government states obsolete air packs are 15 years old, and two standards out. Our equipment is at that age and three standards out.

Councilor Rothhaus remarked if not successful with the grant application there will be the need for further discussion with regard to how such a purchase would be funded. Acting Town Manager Micali noted the purchase is identified within the CIP and is being looked at.

Vice Chairman Mahon questioned if the grant would allow for purchasing all 40 at one time, and was told it would. When asked, Assistant Chief Borneman stated the standards are intended to be updated every 3 years; however, the last one took 6 years. He noted the current packs are compliant because they met the standard at the date of manufacture. Vice Chairman Mahon questioned what other equipment the department utilizes that comes up for this type of review on a periodic basis. Assistant Chief Borneman responded no manufacturer produces anything that is not NFPA compliant to the current standard at the time. Vice Chairman Mahon commented if there are other items that fall into this category and there are enough of them, it would seem to make sense to address upgrades with another capital reserve fund such as is done for the larger equipment, e.g., trucks, ambulances, etc.

Chief Michael Currier remarked the department does not have any other equipment that is that large other than the SCBAs and the apparatus. Personal protective clothing change standards, but those wear out and are replaced every 3-4 years. That cost is within the operating budget. The SCBAs are great because it is such a large cost at a 15 year increment. It is the department's belief this is the opportune time to go for the grant and have the highest chance of getting the grant to save those funds for the community.

Assistant Chief Borneman remarked when he took over SCBAs he started working with the Chiefs on this issue. They had considered purchasing them along with trucks. As they started looking at that option and considering the possibility of going to 2-3 standards and mixing equipment; however, with the financial times we were in the decision was to see how long we could go. Vice Chairman Mahon commented he wants to hear from departments about potential expenses coming down the road to avoid being faced with a large expense that was not anticipated.

Councilor Dwyer questioned how the equipment was purchased last, and was informed it was over a couple of years. When asked if monies were set aside in a CIP, Assistant Chief Borneman responded he was unsure. He noted the SCBAs came in over 2-3 years with the bulk being the same type. When asked, Chief Currier stated his understanding, gained from looking through some of the history, that when first purchased the initial funding was through a grant and funds out of the capital reserve fund set aside for apparatus. Councilor Dwyer remarked it is the most important piece of equipment. Assistant Chief Borneman stated the most vulnerable part on a human being is their lungs, and this is what protects them.

Vice Chairman Mahon remarked depending on the language associated with the equipment capital reserve fund that may be the appropriate line item for placing a few thousand dollars a year to cover future costs. Acting Town Manager Cabanel remarked SCBAs are looked at as part of the apparatus/equipment. The capital reserve was established for firefighter apparatus, engines,

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equipment, etc. Vice Chairman Mahon remarked a potential 15-year lifecycle would fall into that. Assistant Chief Borneman commented that is the same process being followed for the ambulances. The ambulances being purchased now and next year will include cardiac monitors, which have a purchase price of \$35,000/ea.

Councilor Rothhaus questioned the individual cost of the SCBAs and associated components. Assistant Chief Borneman remarked the Federal Government says that a pack is the apparatus, two bottles, and mask. Because masks are issued to every employee, for sanitary reasons, there is the need for additional masks. There are also a few extra bottles retained. The Federal Government says that an air pack is \$7,600.

MOTION by Councilor Mahon and seconded by Councilor Boyd to authorize the Fire Department to pursue an AFG grant for the purposes of replacement of Self Contained Breathing Apparatus (SCBA) and that the Town Manager and/or her proxy be authorized to execute any and all documents necessary to perfect the grant. MOTION CARRIED 7-0-0

4. Direction for 2015/2016 Budget

Submitted by Acting Town Manager/Finance Director Paul T. Micali

To ask the Town Council to contemplate budget parameters for the 2015/2016 budget season which will be discussed at a future meeting.

Acting Town Manager Micali stated the departments are currently in the process of putting their budgets together under the traditional timeframe understanding Council guidance would be sought in the October/November timeframe, and that the Town Manager and he would be back before the Council at its first meeting in December to present the Town Manager's budget. Budget hearings will begin in January.

The current budget is \$31,979,257. Of that, roughly \$5.9 million is in capital needs, whether that is capital deposits, other capital, road infrastructure, or capital funds being expended, which equates to about 18% of the budget. That was one of the goals of this Town Council; to increase capital in infrastructure.

In summary; total appropriations is \$31,979,257, revenue is approximately \$16,881,000, which results in approximately \$16,000,000 needed to be raised through taxes. The estimated tax rate, at this time, is \$5.46. Acting Town Manager Micali stated he does not yet have his tax rate setting appointment with the Department of Revenue Administration (DRA). He is working to get that set by the following day or start of the following week. Tax bills will follow shortly after that time. The Town's/municipality's portion is \$5.46. After the budget was passed, the estimate was \$5.49. The big reason for the difference is additional value in properties throughout town.

What we know right now is that we are going to have a decrease in health insurance cost. We're changing health insurance plans. Five of the six unions are in the third year of their contract, and in that third year they start paying 10% of the plan, we change our health insurance to a \$20 office visit and \$10/\$20/\$45 for pharmacy co-pays. We know there will be an increase in contributions to the retirement system and the Town's portion of the rates. With property liability the Town has a "not to exceed" amount of 9% for an increase. Worker's compensation has a "not to exceed" amount of 9%. Electric rates are increasing 10-15%. Natural gas rates are increasing roughly 36%. A two year

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contract was signed about three weeks ago. The rate is up \$.20 per therm, but still very good for the Town (.83 cents per therm). That is mostly due to the consumption at the wastewater composting facility, which really drives the therm rates and the kilowatt for electricity. With them in the mix the Town gets pretty significant rates as we are a heavy user of both natural gas and electricity because of that process.

With regard to pending items, it was anticipated the Guaranteed Maximum Rate for health insurance would arrive yesterday. Information received was that the Board of Directors had a long meeting and the rates will be coming out early next week. It is anticipated the increase in health insurance will be 5-7%. The highway garage bond, if approved by the voters, would be a \$3.2 million bond or the establishment of a capital reserve fund up to \$500,000. Acting Town Manager Micali informed the Council, as of this date, one individual has expressed interest in participating on the Highway Garage Committee. With regard to State revenues, Rooms & Meals and the Highway Block Grant will each be interesting topics. With the coming election citizens will vote for Governor. In January, the Governor has to put together a budget for February. When we start our budget in July of 2015 the State will also have a new budget. Those are always items that seem to be on the table with State government. There is one union contract (AFSCME 2986) currently at the negotiating table. The Town's commitment to paving and funding of capital reserve accounts continues.

Acting Town Manager Micali reiterated the estimated tax rate is \$5.46. A decrease is expected in health insurance in the area of \$61,569. Retirement costs are expected to increase approximately \$96,120. Workers' Compensation, although there is a "not to exceed" amount of 9%, there will still be a decrease as rates are going down due to not having a significant number of claims. The projected 9% increase for property liability seems to be the norm for the past few years. Natural gas has an anticipated increase of \$8,700. Electricity has an anticipated increase of approximately \$11,000. The paving line for the 2014-2015 year was restored to \$1 million, which is something the Town Manager would like to see continue. The cost of asphalt has increased. Revenue is decreasing due to interest rates. Anticipated decrease is \$75,000. Costs associated with the union contract are unknown at this time.

The above listed items, should they come to fruition, would result in a tax rate increase of approximately \$0.11. With regard to the potential new Capital Reserve Fund for the Highway garage, it is believed if the \$3.2 million were divided over a six-year period it would require a yearly contribution of \$500,000. After that time, including interest, there would be a balance of approximately \$3.1 million. It was noted with a \$3.2 million cost today, the cost in six years could be \$4.2 million or more due to inflation. Although savings would not reach that amount, a potential bond, at that time, would be substantially less than \$3.2 million. The effect on the tax rate would be \$0.17. Acting Town Manager Micali noted for every \$29,000 - \$30,000 the tax rate is impacted by \$0.01.

Capital Reserve Fund deposits for FY15 totaled \$1,077,000. New items in FY15 included Milfoil at \$25,000, Geographic Information System (GIS) at \$10,000, and library at \$17,000. The aerial photographs in the GIS system are from 2005. There is a need to look at upgrades to the GIS system, which is the intent of the Capital Reserve Fund. Library costs are for the repair of the library roof. Going forward that appropriation may need to increase slightly given the cost estimates received.

Other capital items were General Government (new copier) at \$12,500, police (new cruisers) at \$128,000, highway (new gas pumps) at \$75,000, and repairs for buildings and grounds at \$9,000.

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Road Infrastructure (paving) was \$800,000 for a total capital outlay of \$2,101,500 in the current budget.

Acting Town Manager Micali provided a snapshot of the Capital Reserve Funds noting the Town continues to play catch up for the 2010-2011 year where the appropriation was only \$365,000. The balance at the end of that year was roughly \$5.2 million. If all come to fruition, the balance as of June 30, 2015 will be about \$2.4 million.

Vice Chairman Mahon commented he is looking for the same things he is always looking for; efficiencies, review of past practice to determine whether it is more financially feasible to continue to do the work in-house and perhaps differently or contract out. He remarked the Council has been pretty consistent for the last 6 years with regard to what the focus is and the items the Council is looking at. He brought up the example of the Fire Department and the SCBAs and the comment that was made that they have been looking at the issue for 8 years, and questioned how many more departments will come before the Council stating there is an item they have been studying for some time, and there is the need to determine whether or not to move forward.

Councilor Dwyer noted the number of items identified which are out of the control of the Council, e.g., energy costs, insurance, etc. Speaking for himself, he stated he does not anticipate asking for a reduction in force on the Fire Department, Police Department, Public Works Department, etc. The only thing he can look to reduce is the request for an additional \$200,000 for paving. He stated his opinion \$1 million is perhaps too rich. He added he will always support a \$600,000 plus number for pavement; however, believes \$1 million is too much.

Councilor Rothhaus remarked he is unsure if \$800,000 is an appropriate number. It is a discussion the Council will have with the Public Works Department. He remarked they utilize the pavement index to determine the amount of paving to be done, which appears to be working well as it seems accomplishments have been made. He stated his opinion when budgeting, items such as paving are easy targets. Although a reduction in that area may be somewhat harmless for the sitting Council, in 10-15 years it would be a nightmare to deal with.

Councilor Koenig stated agreement, and remarked he does not believe it can be arbitrarily cut to any particular number with the cost of materials increasing. He would be hesitant to drop the funding level below the \$800,000 that the Council has managed to get it to. He added, he can see where the Council may not want to push it to \$1 million this year, and continue with the goal to look for it.

Councilor Koenig remarked when identifying the appropriations, it was sort of a blanket statement the same number of capital appropriations are anticipated for next year, but there are computers, copiers, etc. He questioned whether it is being seen there is a rotation through Town government that there is the need for a new copier every year (Other Capital \$12,500). Acting Town Manager Micali responded there is a rotation for equipment, although it would not necessarily be copiers every year. The Town continues to operate on an XP system. Discussions are ongoing with the Information Technology Department regarding rolling out Windows 7 versus Windows 8 or whether to wait for Windows 10. Approximately 20 workstations (Windows 7) were purchased this year, which barely touched the number of workstations that remain on XP or older operating systems (nearly \$1,000 each).

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Councilor Dwyer clarified he was not looking to cut \$200,000 from the paving item, but rather not to add \$200,000 to get the fund to \$1 million.

Councilor Dwyer questioned what would be done with the highway garage. He challenged the Council to say if unable to gain community involvement perhaps another committee should not be formed. He stated his willingness to ask the voters again and a third time, if necessary. If not successful by that time, he suggested paint be purchased, the cruisers be sent to other mechanics, a trailer purchased to provide a locker room, etc. If the community won't support it after being asked three times, it is his opinion the Council needs to make different choices.

Vice Chairman Mahon noted the pending contract for the Public Works employees, and questioned if they are running a risk by putting both items on the ballot. Chairman Harrington requested the item be placed on the Council's next agenda. Acting Town Manager Micali suggested the second meeting in November may be more appropriate as that is when the CIP will be brought forward. Councilor Boyd stated his objection noting not be able to attend that evening, and would like to be part of the discussion. When asked for his feedback on the highway garage, Councilor Boyd stated he would prefer not to put it on the ballot. He believes the fact that one person signed up to sit on the committee is extremely telling. He stated agreement with the concerns expressed by Councilor Mahon.

Councilor Dwyer remarked he is not sure the fact that only one individual has stepped forward to sit on the committee is truly telling. He spoke of other committees that are struggling to gain participation. Councilor Boyd remarked that is the point; we are struggling to get citizens to participate on where we want to take our community, and the fact that we can't get anyone to participate in the basic review of the highway department, which the Council agrees is in desperate need of an overhaul, and the fact the Council cannot get 2/3 of the community to agree with that is mind boggling.

Councilor Dwyer reiterated it is difficult to gain participation on other committees. He remarked he thinks sometimes the Council gets too close to not realizing who they are; they are the political geeks. People who do what they do are in a small group. They don't really represent the 3,000 or 4,000 voters that show up to vote, they are too busy. The ones that show up to vote put their trust in our decision making. He reiterated he does not believe lack of participation reflects whether or not the citizenry wants the garage.

Councilor Woods stated he was very encouraged by the suggestion that a capital reserve fund be created to fund the cost of the highway garage. He believes that keeps the discussion in front of the citizenry. He stated his preference to see more than \$500,000 contributed each year given the anticipated increase in cost over time.

Acting Town Manager Micali noted the highway garage being looked at remains at a cost of \$3.2 million, and would be at that number if placed on the ballot next year. Councilor Boyd stated his support of a capital reserve fund. Chairman Harrington stated she was not in favor of financing the garage right away. She continues to feel that way, although is a bit more encouraged as she can foresee going with a capital reserve account, which in two years' time would create the position of having accumulated funds that could reduce the cost of the bond, and the fact that in 2018 one of the Town's bonds will expire.

Councilor Dwyer noted funding a capital reserve account at \$500,000 would have an impact of around \$.20 on the tax rate. Chairman Harrington questioned the tax impact of a \$3.2 million bond. Acting

Approved: November 6, 2014

Posted: November 7, 2014

Town Manager Micali stated it would be significantly less in the first year. After that it would be in the \$.10 to \$.12 range.

Chairman Harrington requested the topic be placed on the Council's November 6, 2015 agenda.

5. Review of 2015/16 Budget Schedule

Submitted by Acting Town Manager/Finance Director Paul T. Micali

The Town Council to review the 2015/16 budget schedule.

Acting Town Manager Micali spoke of the schedule followed last year, which reduced the number of meetings held in January for review of departmental budgets from four to three. The recommendation is to follow a similar schedule this year (copy attached). It was noted such a schedule would provide additional flexibility in the event of cancellations due to weather, etc.

The consensus of the Council was to accept the Budget Schedule as presented.

6. Town Council Meeting Schedule – November & December

Submitted by Acting Town Manager/Finance Director Paul T. Micali

Town Council to determine their meeting schedule for the months of November and December.

Chairman Harrington noted the Council typically conducts its meetings on the 2nd and 4th Thursday. In the past, the November and December meeting dates have been altered to the 1st and 3rd Thursdays. She questioned the will of the Council with regard to scheduling the November meetings for the 6th and 20th and the December meetings for the 4th and 18th.

Councilor Boyd remarked as he will not be able to be in attendance for a November 20th meeting, he would not wish for any items of consequence to be on that agenda. Councilor Rothhaus noted the ability to participate electronically.

Vice Chairman Mahon suggested, given these dates are typically changed each year, that the Council amend its policies and procedures to reflect the meeting dates in the months of November and December being conducted on the 1st and 3rd Thursday of the month. He remarked the policies could be reviewed at a meeting in the near future or could be postponed until the normal process of revising policies and procedures after the next election.

MOTION made by Councilor Boyd and seconded by Councilor Woods to reschedule the regular Council meetings for the months of November and December to the 1st and 3rd Thursday of the month. MOTION CARRIED 7-0-0

MOTION made by Councilor Mahon and seconded by Councilor Boyd that the council recess to return to the recessed non-public session. MOTION CARRIED 7-0-0

The Council recessed at 8:50 p.m.

The Council reconvened at 9:23 p.m.

Approved: November 6, 2014

Posted: November 7, 2014

7. Repurchase of Tax Deeded Property

Submitted by Acting Town Manager/Finance Director Paul T. Micali

To consider the repurchase of recently tax deeded property tax map parcel 6A-2/161 for the repurchase price of all back taxes, interests and costs, pursuant to RSA 80:80 III and Article 66-1 of the Merrimack Town Code.

MOTION made by Councilor Mahon and seconded by Councilor Boyd to allow the repurchase of recently tax deeded property tax map parcel 6A-2/161 for the repurchase price of all back taxes, interests and costs, pursuant to RSA 80:80 III and Article 66-1 of the Merrimack Town Code. MOTION CARRIED 6-1-0 Councilor Rothhaus voted in Opposition

Minutes

Approve the minutes from the September 25, 2014 Town Council meeting.

The following amendments were offered:

Page 5, Line 46; replace “raising” with “razing”

Page 7, Line 10; replace “Hashana” with “Hashanah”

MOTION made by Councilor Boyd and seconded by Councilor Woods to approve the minutes of the Town Council meeting conducted on September 25, 2014 as amended. MOTION CARRIED 7-0-0

Comments from the Press - None

Comments from the Public - None

Comments from the Council

Councilor Boyd wished the Lady Tomahawks best of luck against Timberlane in Saturday’s Field Hockey Tournament.

MOTION made by Councilor Mahon and seconded by Councilor Dwyer to adjourn the meeting. MOTION CARRIED 7-0-0

The October 23, 2014 meeting of the Town Council was adjourned at 9:28 p.m.

Submitted by Dawn MacMillan

Approved: November 6, 2014

Posted: November 7, 2014

Memo

TO: Town Council
FROM: Finance Director/ Acting Town Manager Paul T. Micali
DATE: October 16, 2014



RE: Review of 2015-16 Budget schedule

In years past the Town Council met every Monday and Thursday in the month of January to discuss the budget. Last year in an effort to consolidate the budget schedule for the month, we reduced the number of meeting for the budget review of the departments from four to three. I am once again proposing the same number of meetings (3) for the budget review shown below.

January 2015	
January 8 7:00 PM	Regular Council Meeting
January 12 6:00 PM	Budget Meeting – Welfare, Public Works Administration, Highway, Solid Waste Disposal, Equipment Maintenance, Buildings and Grounds, Wastewater Treatment Fund, Parks and Recreation, Summer Day Camp
January 15 6:00 PM	Budget Meeting – Library, Assessing, Community Development, Media, Town Clerk tax collector, General Government, Proposed Issuance of Debt, Revenues
January 19- 6:00 PM	Budget Meeting - Fire, Code Enforcement, Communications, Police, Police Detail, Town Council to discuss the next steps in the budget process
January 22 7:00 PM	Regular Council Meeting
January 26 - 6:00 PM	Finalize recommended Operating Budget and Special Warrant Articles (if necessary) Snow Date
January 29- 6:00 PM	Finalize recommended Operating Budget and Special Warrant Articles (if necessary) Snow Date
January 26	Submit Following Public Notices to newspaper(s) of general circulation to be published on February 4 th for February 12 th Council Meeting (RSA 33:8-a, I / RSA 32:5, I / RSA 21:35) <ul style="list-style-type: none">• Budget Hearing• Collective Bargaining Agreement• Proposed Issuance of Debt• Petitioned Bonds• Other Petitioned Warrant Articles