

Approved: March 15, 2018

Posted: March 20, 2018



## Town Council Meeting Minutes

Thursday, February 8, 2018, 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 Albert, Councilor Boyd, Councilor Flood, Councilor Koenig, Councilor Thornton, and Assistant Town Manager/Finance Director Paul Micali. Town Manager Eileen Cabanel was excused.

### **Pledge of Allegiance**

Chairman Harrington led in the Pledge of Allegiance.

Chairman Harrington offered condolences, on behalf of the Council, to family and friends of James McSweeney who passed away on February 2<sup>nd</sup>. Jim served as Merrimack's first Town Manager from 1978 to 1986 as well as having worked as the Business Manager/Superintendent for the Merrimack Village District. Jim was a kind and caring person who will be sorely missed.

*The Council observed a moment of silence in memory of James McSweeney.*

### **Announcements**

The last day to file Petition Bonds for those over \$100,000 is February 9<sup>th</sup>. Last day to file Petition Warrant Articles is February 13<sup>th</sup>.

A special meeting of the Town Council will be conducted on Thursday, February 16, 2018. Regular meetings of the Town Council will be conducted on Thursday, February 22<sup>nd</sup> and March 8<sup>th</sup>. All meetings will begin at 7:00 p.m. in the Matthew Thornton Room.

The 2018 dog licenses are now available at the Town Clerk's office. Licenses are due by April 30<sup>th</sup>.

The Parks & Recreation Department invites you to join them on Saturday, February 24<sup>th</sup> from 12:00 - 3:00 p.m. for the 26<sup>th</sup> Annual Winter Carnival at Wasserman Park. This great, free event will be packed with an afternoon of fun and exciting indoor and outdoor games, activities, snow sports, food and more for the whole family. Visit the Parks & Recreation Department website at [www.merrimackparksandrec.org](http://www.merrimackparksandrec.org) for the most up-to-date list of activities.

### **Perfluorooctanoic Acid (PFOA) Information Update**

Representative Chris Christensen spoke of HB 485, which passed in January and went on to the Senate.

Passed by the House earlier in the day was HB 1101, which is almost identical to HB 485, but specifically adds 4 groups of PFCs that are to be addressed instead of the more generic approach of HB 485.

HB 485 addresses emerging contaminants. The hang-up is what is an emerging contaminant; does it have to be around for 3 years before it is really a contaminant, is it only for the first two weeks that it is

1 emerging. It is undefined, which is why they went in the direction of the PFCs specifically. HB 1101  
2 is headed to House Science, Technology and Energy Committee.

3  
4 Chairman Harrington commented, in the past, part of the problem was the lack of fiscal impact  
5 identified within the Legislation. She questioned and was informed both have gone through the  
6 process of identifying that information (approx. \$130,000 to hire the Toxicologist and Human Health  
7 Risk Researcher). At this point, they are not legislating anything that has a direct fiscal impact on  
8 either the State or the towns.

9  
10 Another Bill was introduced related to Arsenic. The Bill came in with impossible standards. There  
11 was an amendment to try to change it. When dealing with a Rule as opposed to Law, NHDES can  
12 work with entities to make things work instead of just saying here is the standard you have to operate  
13 by.

14  
15 Chairman Harrington stated NHDES can write a standard, but that doesn't address non-compliance.  
16 Representative Christensen stated if in violation and remediation is required because of a spill, etc. the  
17 entity is responsible for it, and there is a variety of enforcement procedures, cleanup, fines, etc. It is  
18 already in Rules.

19  
20 Chairman Harrington spoke of HB 309, which has to do with surface water, ambient groundwater, and  
21 drinking water. It mentions the establishment of a Toxicologist, but not of the Researcher. Testimony  
22 offered was from 3 in favor and 3 against. Two of the 3 that spoke in opposition were representatives  
23 of DES.

24  
25 When asked what would occur if both Bills were to pass as they seem to conflict with one another,  
26 Representative Christensen stated there to be a variety of options. The Committee would review all  
27 the Bills, and if overlapping would likely put it on hold and let the other Bills go forward. When going  
28 to Committee of Conference, Bills passed by the Senate and the House represent their particular  
29 position, and if similar, they work to negotiate something that will work for all parties.

30  
31 Councilor Boyd stated his opinion having a set of standards in the State coming from DES is critical as  
32 it relates to ambient water quality, groundwater quality, and stormwater quality.

33  
34 He commented, later in the meeting, he may be asking his colleagues to support sending a letter to the  
35 Senate that might not have any impact and conversely with members of the House if there are  
36 competing pieces of legislation. He questioned the Representative's institutional perspective as to how  
37 a letter such as that would be handled in Concord.

38  
39 Representative Christensen stated his opinion it is always a good idea to communicate your position on  
40 almost anything that is important to you. Timing is different in terms of who you write to. He  
41 suggested communicating with Senators Daniels and Morse, and the Chairman of the respective  
42 committee.

43  
44 Representative Christensen spoke of how helpful it is to have comment provided in person. Councilor  
45 Albert requested the Council be advised of hearing dates for matters of importance to the Town.  
46 Representative Christensen stated the calendar comes out on Thursday night for the following week.  
47 An email could be sent to the Town Manager's Office.

1 **Highway Garage Project Update**

2  
3 Councilor Flood stated the Sub-committee met the previous day with another solar vendor to further  
4 understand the possibility of incorporating solar into the project. Although it does not appear feasible  
5 for the initial construction, the engineering team will design the project so that it will be able to accept  
6 the technology when it becomes financially viable. Turnstone, the construction management company,  
7 is working to secure pricing from sub-contractors for the various aspects of the project. The Sub-  
8 committee hopes to begin finalizing costs for certain aspects of the project in coming weeks.

9  
10 H.L. Turner continues to develop final plans to meet budget constraints and is working on securing  
11 appropriate permits for the site work.

12  
13 Vice Chairman Rothhaus commented at lot of what is going on right now is tightening up the facility  
14 to make it fit our budget.

15  
16 **Comments from the Press and Public**

17  
18 Laurene Allen, 16 French Court - Citizens for Clean Water

19  
20 Spoke of the last meeting during which Ms. Thomas presented the results of the testing on her well and  
21 commented on the OneStop Data available through the DES. A member of her group pulls that data  
22 together and has compiled it into a packet, copies of which were provided the Council.

23  
24 Ms. Allen stated DES is currently conducting a stormwater and surface water investigation. Last year  
25 they tested a stormwater drain and found amounts of chemicals, which resulted in a request for further  
26 testing. They also had requests from the public regarding the surface water in the river. They followed  
27 up on that; did testing on their own and requested Saint-Gobain have their representatives do some  
28 comprehensive wet conditions testing because they had tested stormwater in dry conditions. That  
29 information was released. She commented on the volume of data.

30  
31 The report, dated January 30, 2018, concluded the PFAS concentrations in the stormwater and the  
32 surface water is the result of groundwater infiltration. That brings us back to the ground monitoring  
33 wells on their land, which DES referred to in the letter to Flatley. Flatley has not given DES  
34 permission to be on their land.

35  
36 Ms. Thomas' property, which is 5 miles away from Saint-Gobain, and her well testing is under the  
37 Saint-Gobain project; that is where DES has categorized her as opposed to a DES General project,  
38 which is water testing, etc.

39  
40 Ms. Allen commented on the Saint-Gobain signature footprint and stated she has looked through the  
41 many test results that have been shared with her and has found there to be a pattern.

42  
43 She reviewed the results of the stormdrain report, which she found to be very similar proportionally to  
44 the Merrimack River Surface water report. She then reviewed the results for the ground monitoring  
45 wells. She highlighted on the stormwater, surface water, groundwater, and Ms. Thomas' results, the  
46 same chemicals.

Chairman Harrington questioned if they were proportional. Ms. Allen responded she intended to touch upon it believing we are all intrigued. Chairman Harrington noted a footprint is proportional. Ms. Allen agreed. She stated she has highlighted the areas, and would leave the information with the Council.

Ms. Allen noted during the prior week the EPA suspended the Clean Water Act for two years. There was a Bill (HB 1799) that would have given residents (Merrimack residents in particular) access to blood tests, and it did have a fiscal note attached.

Ms. Allen commented what she is seeing is what is in the storm drain is what is in the ground, it is flowing in the river, and has made its way 5 miles away.

Councilor Albert commented on the amount of information that has been made available to the Council, and questioned if the group has made any presentations to the Merrimack Village District (MVD). Ms. Allen stated they are under negotiations, and are taking the stand that DES is handling all of this. When requests are made for information about water, the responses are very general.

Ms. Allen spoke of the size of the group's mailing list and the number of residents that are following what they are doing, and stated the group's role to be to pull the pieces together. She spoke of an upcoming meeting with DHHS. She noted the New Hampshire Medical Association has agreed to meet with several individuals. The group is looking at the whole issue of what we think about our water company. During the past several weeks she has had a lot of residents come forward who are in the remediation business, live in Town, and have a lot to say.

Ms. Allen stated the property is in a Groundwater Aquifer and Watershed Protection District. Chairman Harrington noted most of the Town is in the District. Ms. Allen commented the Masterplan on MVD provides a great description of all their wells, and identifies the water source for the wells. What you see is Wells 4 and 5 are in a Groundwater Aquifer and Watershed Protection District. It also identifies, within the Masterplan, that those wells draw their water sources from the Merrimack River.

### **Recognitions, Resignations and Retirements**

#### **1. Recognition of Town Committee Member**

Submitted by Town Council Chairman Nancy Harrington and Vice Chair Finlay Rothhaus The Town Council will present a certificate to the following individual for over 5 years of service to the Town of Merrimack

Desirea Falt – Planning Board

Councilor Koenig spoke of having worked with Ms. Falt during her time on the Board. He was sad to see her leave as she was a spark of life for the Board, and a trained architectural background influence for the Board. She will be sorely missed, and he is sorry to see her move out of Town and sad to accept her resignation.

Robert Best, Chairman, Merrimack Planning Board, stated Ms. Falt has been a spark of energy on the Board. She volunteered for sub-committees, and was really an engaged board member. With her

architectural background she was able to spot things and identify issues that weren't necessarily on the radar of the rest of the Board. She will be sorely missed.

### Appointments

#### **1. Trustees of Trust Funds Update / Review**

Submitted by Trustees of Trust Funds Chairman Chris Christensen

Town Council to be presented with the details of the Performance Update of the Trustees of Trust Funds.

Chris Christensen, Chairman, Trustees of the Trust Funds, stated the Trustees are elected each for three-year terms on a rotating basis, and manage money for a couple of purposes; Capital Reserve Funds (CRF) for the Town, Village District, School District and manage permanent funds, which are bequests given to the Town or school for various purposes. Part of the permanent funds is perpetual care for cemetery graves.

By Statute, the Trustees are very much separated from the Town Council and School Board. Trustees are not allowed to sit on the Council or School Board, and are not allowed to be the Town or School District Treasurer. The Trustees manage roughly \$16 million, and have paid advisors to help with that. A lot of it is CRFs, and there is not a lot of leeway there. It must be Government guaranteed funds, FDIC guaranteed, etc. It is really a protection of capital as opposed to trying to manage and grow funds.

Three years ago, the Trustees requested the Council allow for the covering of fees out of income, which is something the Trustees had been doing for many years. A new Bill passed in the Legislature that required authorization of the Council. In some Towns, the fees were being paid out of the general fund. There was a restriction that said if you went in that direction you had to keep it that way for at least five years. On the other end, you don't have to renew it, it is there until rescinded.

Cambridge Trust is currently used as the manager for the CRFs and permanent funds. The Trustees have been pleased with that relationship, and the level of support provided. Trustee Christensen spoke of the process that was undertaken when considering which firm to go with.

The investment policy is published on the Trustees' page on the Town's website. It is reviewed every year and updated typically by each August.

Trustee Christensen commented on having done research on the Shed Harris Fund. The question often comes up of what is meant by fire protection in the Village of Reeds Ferry and the Town of Merrimack. It turns out Shed Harris, when she passed, left her estate to the Town for fire protection. When they liquidated the estate, they built a 60', 200,000-gallon water storage tank on the end of Harris Road (1933 or 1934). In 1955, the Village District was formed, and had its first office up there. Sometime later that tank was declared obsolete and taken down. Now we have a sum of money for fire protection in Reeds Ferry, but there is no longer a water tank to take care of, so it is kind of an open-ended thing. The Trustees have been talking to Chief Currier about that on an informal basis.

Bill Wilkes, Trustee, stated the Will to be specific about Reeds Ferry. You can say that a piece of fire apparatus is used 30% of the time in Reeds Ferry, if you divided the Town up, that is possibly an

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argument that could support funding 30% of the cost of a piece of fire apparatus out of the fund. That is kind of a grey area and what they are trying to figure out.

Assistant Town Manager/Finance Director Micali stated this is being looked at in terms of renovating the Reeds Ferry Station. Prior Trustees have stated the funds could not be utilized towards the purchase of a truck unless it was kept just for Reeds Ferry. We have a Reeds Ferry station that serves Reeds Ferry, so the question has come up of whether the funds could be looked to for the renovation. This is where the discussion has gotten to.

Councilor Flood questioned if the Trustees can decide about donations/expenditures from the fund(s). Trustee Christensen reiterated the Trustees operate independently, and the guiding principal is whatever is in the particular bequest. He spoke of the various bequests and the specific purposes stated.

Trustee Christensen commented if the Council were to approach the Trustees with a plan for the Reeds Ferry Fire Station questioning whether the plan fits within the parameters of the Trust language, they would work with together with the Council as they have done with the School District on several occasions.

Councilor Flood questioned if the funds are accounted for separately, and was informed they are. A very detailed report is provided in September of each year for each specific purpose. For investment purposes, the funds are jointly invested.

Councilor Boyd stated over the past few years the Council has been working with the Fire Chief on staffing, equipment, infrastructure, have talked about the South Fire Station, and now potentially looking at a trust fund that will release funds at some point down the road as it relates to Reeds Ferry. If and when that comes to fruition he would hope that it would be part of the larger conversation the Council will have regarding the future of the Fire Department as a whole.

Assistant Town Manager/Finance Director Micali stated no funds would be expended from the Reeds Ferry Fire Station Shed Harris Fund without Council approval. The only way it can be expended is if the Council approves it. Just like any capital reserve, it would be a budgeted item, the Council would be able to able to vet it, and if not in support of it, it would not be done.

He reiterated, the Fire Chief is in the infancy stage of trying to figure out what this could be used for. If he makes an inquiry of the Trustees as to whether a certain proposal for expenditure would fall within the parameters of the trust, and if that is the case, he would then bring the request before the Council. It would come in as an appropriation request offset by revenue. Capital Reserve Funds are approved through the budget. The money is spent, and the Trustees are asked to reimburse.

Councilor Boyd questioned the balance in the Shed Harris Fund. Trustee Christensen stated it to be roughly \$600,000 of which \$300,000 is expendable.

**Public Hearing** - None

**Legislative Updates from State Representatives**

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Nothing further was added.

### **Town Manager's Report**

The Planning Board will hold continued public hearings for both the Merrimack Park Place mixed use development site plan and the site plan for the multi-family development on Executive Park Drive on February 20<sup>th</sup>.

The Planning Board will continue work and discussion with the Nashua Regional Planning Commission on the D.W. Highway Bicycle and Pedestrian Plan project in March and April.

Assistant Town Manager/Finance Director Micali informed the Council of an update received from Eversource relative to the work being conducted in Town. [Specific information](#) on the areas of work, the type of work to be conducted, and the process by which it would be conducted, e.g., utilization of a helicopter, has been posted to the Town's website.

### **Consent Agenda**

#### **1. Consideration of Changes to Chapters of the Merrimack Town Code [Final Reading]**

Submitted by Town Council Chair Nancy Harrington and Vice Chair Finlay Rothhaus  
The Town Council to consider the acceptance of recommended changes to Chapter A198, Administrative Code, of the Merrimack Town Code, pursuant to Charter Article V.

**MOTION made by Councilor Boyd and seconded by Councilor Albert to move the consent agenda. MOTION CARRIED 6-1-0**

*Councilor Koenig voted in opposition.*

### **Old Business - None**

### **New Business**

#### **1. Final Acceptance of Recommended Changes to the Chapters of the Merrimack Town Code**

Submitted by Town Council Chair Nancy Harrington and Vice Chair Finlay Rothhaus  
Town Council to consider the final acceptance of the recommended changes to the chapters of the Merrimack Town Code.

Chairman Harrington stated the Council has completed its review/revision of the Town Code.

**MOTION made by Councilor Boyd and seconded by Councilor Thornton to accept the recommended changes to the chapters of the Merrimack Town Code.**

**MOTION CARRIED 7-0-0**

*Desirea Falt joined the meeting, and was recognized for her years of service to the community through her position on the Planning Board.*

Robert Best reiterated his desire to add his voice to the recognition of Ms. Falt. He spoke of the high-level of energy, volunteering, and unique insight she brought to the Board from her architecture background.

Councilor Koenig spoke of the spark Ms. Falt brought to the Board and of how helpful her architectural background has been.

## **2. Letter of Support of Senate Bill 309-FN**

Submitted by Town Councilor Bill Boyd

Town Council to consider writing a letter of support of Senate Bill 309-FN – an act relative to standards for perfluorochemicals in drinking water, ambient groundwater, and surface water.

Councilor Boyd stated the purpose for putting this on the agenda was for the Council to let its voices be heard to not just Senator Daniels but the rest of the Senate along without Merrimack's Legislative Delegation regarding establishing certain criteria as it relates to quality drinking water, ambient groundwater quality and surface water quality. Given some of the issues the Town has dealt with going back to 2012 when introduced to the potential problems with the MS4 Stormwater Permit, from the Council's perspective Merrimack has been uniquely impacted by some of the challenges that are being presented as it relates to water in our community.

Having learned about the Bill, he felt it presented a unique opportunity for the Council to lend its support to this legislation.

Councilor Albert stated his opinion it is important for the Council to support anything that will protect the groundwater and add better supports for protection and monitoring.

Chairman Harrington stated her impression the language of the Bill is open-ended yet included specifics relative to time issues. As an example, under Section IV 3 IIb it states in part: "from 120 days from the effective date of this paragraph, establish a surface water quality standard for perfluorooctanesulfonate (PFOS) and perfluorooctanoic acid (PFOA) in Class A and Class B waters." That is not a long period of time.

The Bill will be going to the Finance Committee, and must be there by March 8<sup>th</sup>. Chairman Harrington stated she contacted Senator Daniels who had not yet seen the Bill. They went through the testimony. The three who offered testimony in favor were Dan Ennis, who is one of the supporters, Representative Messmer who is a supporter, and the Director of the Conservation Law Foundation. Testimony in opposition was provided by the Vice President of Public Policy Business & Industry, the Government Finance Advisor for the NH Municipal Association, and DES.

DES was supportive of HB 485 and HB 1101. House Bill 309 does not address air emissions where the others did. HB 485 asked for the Toxicologist and the Human Health Risk Researcher, where HB 308 asked for the Toxicologist alone. Chairman Harrington commented it could be that when looking at the surface water you are looking at the results of air emission contamination. But that is not what is desired. The desire is for contamination to be caught at the site.

In September, the Council wrote a letter of support for HB 463, which was related to air emissions.



Chairman Harrington commented not only are they setting standards, which is not an issue, but based upon that, there will have to be remediation. It is not clear who would be responsible for the remediation. That is the not spoken to as part of HB 309. That is what the Municipal Association spoke of when asking for a Risk Benefit Analysis related to any municipality that approves this. Limited local resources may not be able to keep up with these proposed standards and there is a prohibition of unfunded mandates in the State Constitution.

Councilor Boyd spoke of having testified with the Deputy Director of Public Works on a Senate Bill related to the MS4 Stormwater Permit, seeking to have DES assume responsibility of that permit. The Chairman of the Committee was Jeb Bradley, and one of the questions he asked was specifically related to Article VIII (NH State Constitution – Bill of Rights, Article 29-a) and whether the municipality would waive its rights under Article VIII (NH State Constitution – Bill of Rights, Article 29-a). He had testified, on his own behalf, that he would have no issue waiving the Article because the cost involved in having DES clean up our stormwater is far less than having the EPA put in place the onerous MS4 permit.

He commented from what he was hearing it sounds as if the NHMA is seeing a conflict as it relates to Article VIII (NH State Constitution – Bill of Rights, Article 29-a). The question becomes, if this were to be enacted would, there be language in there that would require municipalities to waive Article VIII (NH State Constitution – Bill of Rights, Article 29-a).

Chairman Harrington stated, at this moment, the EPA does not have its own standard for surface water. If SB 309 passed, New Hampshire would be the first state in the Country to have its own surface water quality standard, and would need approval from the EPA. She stated her request the Council not support HB 309, but do support HBs 485 and 1101.

Councilor Albert suggested, if a letter is sent, that it indicate the Council's concerns regarding what has been cited as weaknesses in HB 309.

Councilor Boyd commented the Council has been discussing this issue for two years, and the Legislature expects DES to come up with a set of criteria for a specific standard in 4 months. There are some communities that might not be financially positioned to absorb the kind of expectation that is being expressed in HB 309. He stated agreement with the suggestion of voicing the Council's support for HBs 485 and 1101. He believes them to be stronger while also allowing more of a time period for municipalities to begin whatever strategic financial planning is necessary to absorb that cost.

Chairman Harrington spoke of the State's Drinking Water and Groundwater Trust fund, commenting that needs to be explored.

Councilor Boyd stated, at its March meeting, the Drinking Water and Groundwater Commission expects to receive what he would term a set of rules by which the Commission governs itself and by which it is able to review, accept, and decide upon applications from specific municipalities that are looking to either improve their infrastructure or remediate water quality in their specific wells. One of the things he has asked to be considered is to improve the ability for a municipality to receive either a loan or grant to explore for wells that they might not have the financial means to do.

Councilor Boyd commented several months ago, the Council approved the purchase of property off Klara Drive that went into conservation. The Conservation Commission was working with the MVD because the property abuts Baboosic Brook, and they were looking at it as an additional potential aquifer or well site source. He stated the desire to see those types of funds available to other communities that might not have the financial wherewithal to do that, but understand they may have potential groundwater sources or potential well sources.

**MOTION made by Councilor Harrington and seconded by Councilor Boyd that the Town Council submit a letter of full support for HBs 485 and 1101 to Senator Daniels copying the Senate President and Senator Avard, Chair, Energy and Natural Resources Committee**

**ON THE QUESTION**

Councilor Koenig spoke of Councilor Boyd's comments regarding Article VIII (NH State Constitution – Bill of Rights, Article 29-a) noting he is not familiar with Article VIII (NH State Constitution – Bill of Rights, Article 29-a), and the comments regarding cost to municipalities, and how he believed Merrimack could cover the cost. He stated a desire to understand what those expectations would be.

Councilor Boyd stated he is uncertain what those expectations would be. Councilor Koenig responded he does not either, and would not want to say the Town could cover them not knowing what they are. He spoke of the MS4, which went into the millions of dollars. He stated his was losing favor with supporting HB 309 with the overall discussion, but really does not have a position on the others.

Chairman Harrington questioned if the preference was to wait to allow more time to consider. Councilor Koenig stated his opinion it is appropriate for the Town to support whatever it can that addresses water contamination issues, but when people start talking about cost factors we just need to be very careful.

Chairman Harrington stated the previous Bills did not address that. HBs 485 and 1101 do not include language regarding consequences, just set the limits.

Vice Chairman Rothhaus stated his belief what was being referred to was Article 28-a. Councilor Boyd agreed. Councilor Koenig questioned what waiving of that Article would result in. Vice Chairman Rothhaus stated that would require the Town to pay for something that could have turned out to be an MS4 situation.

Councilor Albert questioned if the draft letter put together by the Town Manager would be provided to Council for review. Chairman Harrington stated the intent to have it available for the next meeting.

**MOTION CARRIED**

**7-0-0**

**3. HVAC Presentation**

Submitted by Town Manager Eileen Cabanel

Town Council to be presented with the system options for the East Wing, 1st Floor HVAC Project.

Assistant Town Manager/Finance Director Micali spoke of discussions that have taken place around replacement of the packaged terminal air conditioning (PTAC) units in Town Hall during the budget

1 discussions. The PTAC units are like the air conditioning/heating units that are found in hotels. Some  
2 have caught fire. A few others are out of commission due to malfunctioning. Total cost of project is  
3 \$241,000.

4  
5 Kyle Fox, Director, Public Works Department, stated the HVAC replacement project to be for the first  
6 floor of the east wing of Town Hall. Included with the agenda is the study that was commissioned  
7 from H.L. Turner. The report inventoried all the systems in the east wing of the Town Hall from all  
8 three floors, indicated where each of the systems was lacking, and provided two options (with cost  
9 estimates) for addressing the situation, particularly with the first floor where the PTAC units are  
10 located. There are 17 PTAC units on the first floor.

11  
12 Option 1 (\$140,000) replaces the 17 PTAC units with similar DX units with gas furnaces. Option 2  
13 (\$241,500) removes the PTAC units and installs two central air handling units on the lower level.

14  
15 The report goes on to address life cycle costs for each of the two options. Because the centralized  
16 system operates so much more efficiently, uses much less energy, and has a lifespan that is more than  
17 double the PTACs, the return on investment is 8 years.

18  
19 The system the consultant is proposing does two things. The first is not related to heating or cooling;  
20 related to air ventilation. He noted on all three floors of the east wing there is no outside air being  
21 introduced other than what is being brought in when the doors open and close. Any new system put in  
22 will required, by code, to introduce outside air. The proposal provided would provide ventilated air to  
23 the basement level as well. That is an addition that would not be required by code, but since they  
24 would be doing it for the 1<sup>st</sup> floor it would make sense to do it for both floors.

25  
26 When asked, Director Fox stated the first floor has the PTAC units. In the basement is where Public  
27 Works and Community Development are located. There are 3 single forced hot air furnaces with the  
28 cooling provided through the same duct system with the outside air conditioning compressors.

29  
30 What the consultant was trying to provide in the proposal was to equate the new system to what we  
31 have today in terms of controllability. The one good thing with the PTACs is that each office space  
32 can control its own temperature. This variable air volume system would allow for that. There is  
33 additional cost to being able to do that.

34  
35 Director Fox noted he had questioned treating it as three zones, e.g., Assessing area, Town Clerk area,  
36 and Town Manager Office area. The consultant indicated that could certainly be done, it would be  
37 similar units to what is in the basement. There would be significant savings in doing that. He referred  
38 to the information provided noting page 7 has the itemized breakdown of costs for Option 2. The costs  
39 for the three-zone approach would eliminate several of the items: VAV/heating coils (\$12,000), boiler  
40 (\$8,000), heating piping (\$22,000), and pumps (\$1,000), which would result in a total cost savings of  
41 \$43,000.

42  
43 While that discussion was taking place, he reached out to Liberty Utilities (gas provider) and  
44 Eversource to discuss incentives and rebate programs that might be available. Unfortunately, he has  
45 not been able to get a return call from Liberty Utilities. However, he made a great contact with  
46 Eversource. The representative offered to look at the proposal and enlisted a colleague to assist. It is a  
47 fairly complicated system. She asked if he would mind if she sent it to a consultant for an energy audit

1 review, and that Eversource would pick up the cost through their Energy Audit Program. He spoke  
2 earlier in the day with Doug Waitt, Design Day Mechanicals. He is coming to Town Hall on Monday,  
3 and a review will be done of the spaces to begin that process. In addition, he threw out a  
4 recommendation that while he is here if Eversource would pay for an entire building envelope review  
5 they would be willing to do that. He sent a request to Eversource to see if that would be authorized.  
6

7 Director Fox recommended the budgeted amount remain at the \$240,000 for the time being. Once  
8 additional information is available, he will come before the Council to obtain approval to move  
9 forward with whatever project makes the most sense.

10 Vice Chairman Rothhaus questioned if the components that were indicated could be removed are those  
11 which would allow the individual spaces to control their own temperatures. Director Fox stated that to  
12 be correct. The system would be a hot water system, which is how each room would have its own  
13 control. They could control how much hot water is going through their individual pipes.  
14

15 Mr. Waitt also indicated they had put a different style hot water system in a hotel in Whitefield. He  
16 would look at that system as well.  
17

18 Vice Chairman Rothhaus commented on the PTAC units stating he would never be supportive of going  
19 in that direction, and noted each of the units is over \$3,400. He commented on the lifespan of the  
20 second option. He questioned the large costs associated with replacement, and was informed it would  
21 be the furnace or boiler, which is typical for any system.  
22

23 Councilor Boyd questioned if there is a down side for utilizing hot water to provide heat. Director Fox  
24 spoke of not being an expert in HVAC. He explained it would be a recycled water system. When the  
25 question of the volume of water that would be involved were there to be a leak in the system came up,  
26 Vice Chairman Rothhaus commented systems are designed so that if you do lose a little water they fill  
27 automatically. He suspects, if you lose water on the floor it would continue to flow, in the absence of  
28 an emergency shutoff, when recognizing a severe drop in pressure.  
29

30 Assistant Town Manager/Finance Director Micali stated his experience with forced hot water systems.  
31 The water comes in, the boiler heats it up, zone turns on, the water is heated up, runs through the pipe  
32 and the ductwork, comes back down, and returns back into the boiler. There is some evaporation with  
33 heating the water. Water comes in, and fills it up again. If one of the lines goes, there could be severe  
34 water damage. It is a closed loop system for heating.  
35

36 Councilor Boyd asked for additional information on the general conditions (15%) at a cost of \$22,000,  
37 construction contingency (10%) at a cost of \$15,000, bidding contingency (5%) at a cost of \$11,000,  
38 and owner's legal/advertising/project admin at a cost of \$3,000.  
39

40 Director Fox responded what he had requested was budgetary figures. When they do that they include  
41 their standard escalation costs to cover the unknown. General conditions and construction contingency  
42 go hand in hand. Once you open the ceiling you start figuring out exactly what needs to be done, e.g.,  
43 is there a load bearing wall that must be cut through, etc. When the consultant came out he looked into  
44 30 different locations in the drop ceiling, but you can't see everything when doing that. That is to  
45 cover those unknowns.  
46

**Approved: March 15, 2018**

**Posted: March 20, 2018**

1 The items listed on the bottom of the breakdown, ancillary costs, cover the different engineering costs  
2 that come into play. When asked about the bidding contingency, Director Fox stated his assumption it  
3 is to cover the possibility of bids coming in high. There is an uncertainty of the timing of the project,  
4 and whether costs will increase.

5  
6 Councilor Albert questioned if there are time constraints, in terms of the budget, to make a decision on  
7 this project. He commented when there is a large ticket item such as this, the presentation should be  
8 made at the time of the budget discussion. He requested the information provided the Council be  
9 posted to the website.

10  
11 Councilor Flood spoke of personal experience with different type of systems, and her opinion a water  
12 system is preferable. Water is better for allergies, and is very smooth.

13  
14 Chairman Harrington questioned, with a water system, how the air conditioning is handled, e.g.,  
15 separate furnace. Director Fox stated that information will be sought and provided.

16  
17 Chairman Harrington commented, during a discussion of the agenda item, the question was asked of  
18 why they wouldn't place the furnaces on the third floor and have the air vents come through the  
19 ceiling. That would not address the air in the basement, but that could be done through the use of  
20 hoses.

21  
22 Director Fox stated that had been considered. A discussion point had been why not put it in the crawl  
23 space area where the other units are that do the air conditioning for the Memorial Room and the heat  
24 for the attic space. There were a few reasons why that would not be a great option. It is a very tight  
25 space. There is a narrow walkway between the joists that has the mechanical furnaces now. Another  
26 is experience with really cold temperatures; even with furnaces running full time they could not get the  
27 attic space to heat above 59 degrees. Although the ductwork is fully insulated, the roof is not. It is  
28 meant to be a cold space. With the extreme colds we had earlier this winter the furnace and ductwork  
29 were not able to heat up warm enough to get it into that room.

30  
31 Chairman Harrington commented a cold temperature is a great place to put a furnace. Director Fox  
32 stated he had not considered putting it into that storage space area. That could be looked at. He had  
33 that discussion with the consultant, and the analogy he drew is it is always better, if you have the  
34 option, to have your heat coming from the floor and your air cooling from the ceiling. The point he  
35 drew was that in this region we spend 8-9 months of the year heating and only a few months cooling so  
36 it makes sense to do it from the floor.

37  
38 Councilor Thornton commented of the 17 PTAC units only 3 are broken. Director Fox replied that is  
39 what is occurring currently. Councilor Thornton stated he is not in favor of putting a quarter of a  
40 million dollars into one floor. Three PTAC units is what is needed at this time, and he would be more  
41 in favor of going in that direction just because of the value of the dollar.

42  
43 Chairman Harrington stated she agrees the three units could be replaced, but there would remain the  
44 overall issue. She believes the \$240,000 cost is too great, and is leaning towards the scenario of  
45 having three zones.

1 Vice Chairman Rothhaus commented he understands the tight dollar, but for him it is more of a long-  
2 term issue. Looking at the electric costs between the two types of units, you see \$3,000 for Option 2  
3 with the \$240,000 potential investment and \$13,000 annual electric costs on Option 1. Right out of the  
4 gate that is a big savings. He believes it makes sense to do this. He would like to see more specific  
5 thoughts on how we would go about it. He recognizes it makes sense to heat from below, but believes  
6 putting it on the third floor would be a much simpler process.

7  
8 Councilor Albert commented part of the hang-up for him is this is for a single floor. He can see the  
9 savings and 8-year payback. He questioned if there is a means of looking out into the future in terms  
10 of the other floors, e.g., should we be preparing for that.

11  
12 Councilor Koenig stated he does not want to spend any funds to support future expansion of the PTAC  
13 units. While they might be great in a hotel room, they are not ideal for an office space. He spoke of  
14 his experience of over 15 years of meetings in these rooms where you cannot communicate because of  
15 the noise, which results in shutting them off thereby changing the temperature in the room.

16  
17 What the Council has been asked to focus on is the fact that on the first floor there are these PTAC  
18 units, they are dangerous in that we have seen 2-3 catch fire, have had problems with them for many  
19 years and being able to utilize them in public spaces. He believes it appropriate, before thinking of  
20 spending any money on another one of those units, to put in a better, more reasonable unit.

21  
22 He stated agreement with the approach of a less expensive three-zone system. He wishes to go with  
23 what is efficient and functional and makes the rooms more usable for all who utilize them. He stated  
24 his support for the program going forward, and suggested if the allocation is left at \$240,000 and we  
25 can realize savings from a reduced program of three-zones or through energy rebates, etc. that would  
26 all be supported by him.

27  
28 Councilor Flood stated agreement with the remarks made. She questioned if the cost of the PTAC  
29 units was factored into the return on investment. Director Fox stated that to have been factored in.  
30 The payback analysis has two installations of the PTACs built in because they are less than half the life  
31 of the other system.

32  
33 Chairman Harrington commented the majority seems to be leaning toward doing the newer system,  
34 and finding a very cost-efficient way to do that.

35  
36 Director Fox stated the basement has three zones. The I.T. Department is a big problem; because they  
37 generate so much heat they are always running the air conditioning. That throws a kink into the  
38 basement, but otherwise everything runs fine. They have no intention of changing the basement  
39 system; it works well. It is just upkeep of what currently exists.

40  
41 The Town has an energy policy, and having everyone with their own controls can work against the  
42 energy policy. Having more standard controls with the programmable thermostats can help to work  
43 towards the energy policy.

44  
45 They have discussed a smart system where he and Director Micali could have app access to the  
46 controllers; could see on the weekend if someone left their heat on and make those adjustments, etc.

Approved: March 15, 2018

Posted: March 20, 2018

**Minutes**

January 18, 2018

**MOTION made by Councilor Boyd and seconded by Councilor Thornton to accept the meeting minutes of the Town Council budget meeting of January 18, 2018, as presented. MOTION CARRIED 7-0-0**

January 22, 2018

**MOTION made by Councilor Boyd and seconded by Councilor Thornton to accept the meeting minutes of the Town Council meeting of January 22, 2018, as presented. MOTION CARRIED 7-0-0**

**Comments from the Press** - None

**Comments from the Public** - None

**Comments from the Council** - None

**Adjourn**

**MOTION made by Councilor Boyd and seconded by Councilor Thornton to adjourn the meeting. MOTION CARRIED 7-0-0**

*The February 8, 2018 meeting of the Town Council was adjourned at 9:12 p.m.*

Submitted by Dawn MacMillan