



# TOWN COUNCIL – AGENDA REQUEST FORM

THIS FORM WILL BECOME PART OF THE BACKGROUND INFORMATION USED BY THE COUNCIL AND PUBLIC

Please submit Agenda Request Form, including back up information, 8 days prior to the requested meeting date. **Public Hearing requests must be submitted 20 days prior to the requested meeting date to meet publication deadlines** (exceptions may be authorized by the Town Manager, Chairman/Vice Chair).

## MEETING INFORMATION

Date Submitted: April 12, 2021 Date of Meeting: April 22, 2021  
Submitted by: Sarita Croce Time Required: 30 minutes  
Department: DPW/Wastewater Background Info. Supplied: Yes  No   
Speakers: Sarita Croce

## CATEGORY OF BUSINESS (PLEASE PLACE AN "X" IN THE APPROPRIATE BOX)

Appointment:  Recognition/Resignation/Retirement:   
**Public Hearing:**  Old Business:   
New Business:  Consent Agenda:   
Nonpublic:  Other:

## TITLE OF ITEM

**Continuation of Discussion-Wastewater Treatment Plant (WWTF) Phase 3 Bond Update**

## DESCRIPTION OF ITEM

**Town Council to receive a Phase 3 Upgrade proposed path forward presentation.**

## REFERENCE (IF KNOWN)

RSA: Warrant Article:  
Charter Article: Town Meeting:  
Other: N/A:

## EQUIPMENT REQUIRED (PLEASE PLACE AN "X" IN THE APPROPRIATE BOX)

Projector:  Grant Requirements:   
Easel:  Joint Meeting:   
Special Seating:  Other:   
Laptop:  None:

## CONTACT INFORMATION

Name: **Sarita Croce** Address: **36 Mast Road, Merrimack**  
Phone Number: **603-883-8196** Email Address: **scroce@merrimacknh.gov**

## APPROVAL

Town Manager: Yes  No  Chair/Vice Chair: Yes  No

Hold for Meeting Date:

1  
2 **MOTION made by Councilor Harrington and seconded by Councilor Albert to approve the**  
3 **release of certain sewer easement deeds for sewer lines never developed. MOTION CARRIES 6-**  
4 **0-0**  
5

6 **3. Relocation of Drainage Easement**

7 *Submitted by Deputy PW Director / Town Engineer Dawn Tuomala on behalf of Leonard*  
8 *Amadeo*

9 The Town Council to consider the relocation of drainage easement to ensure a building permit  
10 can be issued for a single car detached garage project and will not interfere with new location  
11 of drainage easement.  
12  
13

14 Deputy Public Works Director/Town Engineer Dawn Tuomala presented information on a drainage  
15 easement on the property of Leonard Amadeo, who lives at 14 Acacia St. Mr. Amadeo purchased two  
16 lots back in 1974 which had a drainage easement on both sides of the line that divides those two lots  
17 that came down by the back side. The two lots have since been combined and are now one lot in which  
18 his home is located on. They would like to propose putting a single garage in the area of the easement  
19 and moving the easement back into the wetland area where it actually belongs. Mr. Amadeo has  
20 provided the plan and all easement documents which have been reviewed by Steve Whitney on behalf  
21 of Attorney Keriann Roman, who has reviewed them and is in agreement. Ms. Tuomala is asking to  
22 release the old easement and have the Town Manager sign the new easement. Chairman Koenig asks if  
23 the drainage easement is a plot to put pipes on or if it is a surface water drainage easement that can be  
24 moved. Ms. Tuomala clarifies that there is a ditch line that runs through the upper section towards the  
25 road which will remain. Chairman Koenig questions what the effect of moving the easement is or why  
26 one might not want the easement moved. Ms. Tuomala states that moving it allows him to be able to  
27 use the upland part of his lot and there are no reasons to not allow the relocation as there are no  
28 immediate plans to use the easement at the moment. Public Works Director Kyle Fox provided an  
29 answer as to why they possibly would not want to move the easement, stating that the drainage was  
30 designed to shed into the back yards, and it gives the town the right to maintain the area and clean out  
31 the ditch line to keep the water flowing.  
32

33 **MOTION made by Councilor Albert and seconded by Councilor Healey to consider the**  
34 **relocation of drainage easement to ensure a building permit can be issued for a single car**  
35 **detached garage project. MOTION CARRIES 6-0-0**  
36  
37

38 **4. Wastewater Treatment Facility (WWTF) Phase 3 Bond Update**

39 *Submitted by Deputy Public Works Dir. / Wastewater Sarita Croce and Public Works Dir. Kyle*  
40 *Fox*

41 The Town Council to receive an update on the bid process for the WWTF's Phase 3 Bond and  
42 the next steps moving forward.  
43

44 Assistant Town Manager/Finance Director Paul Micali opened the discussion by sharing that the  
45 current bidding climate for this project has been going "haywire" and then passed out copies of the  
46 [WWTF Presentation](#) that will be shared. Deputy Public Works Director / Wastewater Sarita Croce  
47 gave a brief overview of the project that included talking about the funding and a brief comparison of  
48 the bid they received vs their budget. On May 15<sup>th</sup>, The WWTP will turn 51 years old and the  
49 infrastructure has mostly not been replaced since the original construction of the building. The first  
50 major goal was to replace the aging infrastructure that has not been replaced to date. The 2<sup>nd</sup> goal was  
51 to address safety concerns associated with the infrastructure and operations. The 3<sup>rd</sup> goal was to

1 address code related deficiencies, such as electrical codes as well as making the Headworks building  
2 compliant with the Americans with Disabilities Act. The 4<sup>th</sup> and last goal was addressing issues with  
3 flushable wipes that are not degradable and can plug pumps/lines. Deputy Public Works Director /  
4 Wastewater Sarita Croce then provided a breakdown of the \$22.62 million funding for these goals,  
5 which includes project design/engineering (\$1.55 million), construction administration (\$2.34 million),  
6 legal/administrative (\$170,000), and financing (\$210,000). After this budgeting, the total funds  
7 remaining is \$18.35 million. Out of this total, the SRF process requires a 5% construction contingency  
8 (\$870,000), leaving the budget with \$17.48 million for construction funding.

9  
10 Based on this funding, bids were prepared with Engineer Wright Pierce and broken down into  
11 different bid categories. The base bid included:

- 12 • Upgrading the main pump station
- 13 • Upgrading Souhegan and Thornton's Ferry pump stations
- 14 • Building a new Influent Screenings building to address the issues with flushable wipes
- 15 • Replacement of clarifier mechanisms (big tanks that separate solids from liquids to  
16 discharge clean water)
- 17 • Upgrade the original generators to two new emergency generators
- 18 • Upgrade compost facility ventilation system
- 19 • Upgrade sludge holding tank
- 20 • Chlorine building electrical upgrade
- 21 • Miscellaneous piping, electrical, and computer programming upgrades

22  
23 Alternate bids included:

- 24 • Bid Alternate A- Hydrogen Sulfide Concrete Coating in sludge storage tanks
- 25 • Bid Alternate B- Renovation to Headwords building administrative spaces, bathrooms,  
26 and laboratory
- 27 • Bid Alternative C- Algae sweeps for secondary clarifiers

28  
29 Councilor Harrington asked if these alternate bids were added on after the initial base criteria, to which  
30 Ms. Croce replied that they established a base bid to include upgrades that were absolutely needed, and  
31 the alternates were created to add onto the base bid once it was approved.

32  
33 Councilor Albert asked if the alternate bids were planned from the beginning or if they were figured  
34 out after the fact. Ms. Croce stated that they were created after the fact. The preliminary design was  
35 finished in October 2018, and they were unsure at the time due to the cost estimate. By the time they  
36 finalized the design in December 2020, they knew it was going to be a tough bidding environment and  
37 they were unsure if they would be able to complete all the aspects of the project like they had  
38 originally planned to, so alternates A, B, and C were developed. Councilor Albert then asked who told  
39 them to expect that the cost was too short, which Ms. Croce replied the engineering firm, Wright  
40 Pierce, is who informed them.

41  
42 Ms. Croce then shared that the base bid was \$5.2 million dollars over the allocated budget, with one  
43 contractor, Methuen Construction, submitting a bid of \$22,689,233. The bid alternates bring the total  
44 bid price to \$24,604,753, which is \$7.1 million over budget. The Town is currently meeting with  
45 Wright-Pierce to further evaluate the bid and develop a path forward. Once there is a plan in place,  
46 they will come back to Town Council before any construction is set to begin and to provide  
47 recommendations.

1 Assistant Town Manager/Finance Director Paul Micali stated that the day the bids opened in March  
2 they knew they came in over budget. Because only one company bid, they asked Wright-Pierce why  
3 this happened and if they should scrap the bid and go out later in the year. They were informed by  
4 Wright-Pierce that there were several reasons this happened. One company said they “may or may not  
5 bid if you rebid it” as they had other projects to complete, another company was at bonding limits  
6 (company has too much work), and another company did not have a project engineer/manager that can  
7 handle a \$20 million project for at least another year out. They decided to have Wright-Pierce contact  
8 Methuen Construction and see where they stand and if they can break out their bid for the Town. They  
9 had a meeting today to break the numbers in their bid package down so this information could be  
10 reported back to the Council and make everyone aware that we might not be able to complete all the  
11 goals we had hoped to in earlier budget presentations. The top priority remains upgrading  
12 infrastructure and the Headwords building.  
13

14 Assistant Town Manager/Finance Director Paul Micali then shared that on a separate note, on March  
15 11<sup>th</sup>, President Biden signed into law the American Rescue Plan Act, which includes a \$1.9 trillion  
16 stimulus that was signed. Of that, \$130 billion is going out to local communities, states, and  
17 municipalities. They have 60 days to come up with the requirements and send out the first check,  
18 which is 50% of total amount that we would get. The 60-day deadline runs out on May 11<sup>th</sup>. There is  
19 potential there for the Town as one of the programs talks about sewer infrastructure and water districts.  
20 It is unclear if the town of Merrimack will get all the money, or if we will have to work with MVD, or  
21 if MVD and the Town will get separate funds. Assistant Town Manager/Finance Director Paul Micali  
22 was on a conference call this morning with other national organizations and there were no clear  
23 answers about how this funding will work and how the money will get distributed. He will provide an  
24 update once he gets some answers.  
25

26 Councilor Rothaus shared his disappointment with Wright-Pierce failing us miserably with the  
27 budgeting on this project. He is displeased that they are \$7 million off from their original quote. To add  
28 to that, Assistant Town Manager/Finance Director Paul Micali said that the subcontractors  
29 (electricians, plumbers, mechanics) came in 50% higher than anticipated and the equipment estimates  
30 came up much higher due to the significant increased cost of steel. Ms. Croce said that this afternoon  
31 Methuen Construction provided a summary of recent bids they had and they broke it down to show the  
32 engineering estimate vs the low bidder. One was a bid for Orange, MA WWTF in which the  
33 engineering estimate was \$10.2 million, and the low bidder was \$15.3 million. Another was in  
34 Peabody, MA in which the engineering estimate was \$15 million with the low bid at \$17.89 million. A  
35 third in Orleans, MA was \$22.35 million for the engineering estimate with the low bid coming in at  
36 \$32.93 million. Lastly, Hampton, which is a project Wright-Pierce is working on, came in at \$8.7  
37 million for the engineering estimate and the low bid was at \$10.46 million. These bids have all been  
38 within the last year and they were all under various engineering companies, not just Wright-Pierce.  
39 The average differential overall was 34% higher than the engineering estimates on average.  
40

41 Councilor Harrington suggested contacting Jeanne Shaheen or Maggie Hassan’s offices to ask for  
42 guidance or see if they have insight on how we can get more funding for this project. Assistant Town  
43 Manager/Finance Director Paul Micali stated he will touch base with them and let the Council know if  
44 we hear anything from either of their offices.  
45

46 Councilor Albert asked if there is any concern for the interest rates on bonds. Assistant Town  
47 Manager/Finance Director Paul Micali stated that borrowing now with interest rates being so low could  
48 be potentially driving these project rates higher. The Municipal Bond Bank sent information out that  
49 stated that bond rates were around 2.1% for a 30-year bond.  
50

1 Chairman Koenig clarified that everything in the alternates category is off the table and that the focus  
2 for the project is going to be replacing existing infrastructure and other base programming. Ms. Croce  
3 elaborated that issues such as repairs to the main pump stations, clarifier mechanisms, and upgrading  
4 the outdated emergency generators are the most critical issues, as well as piping that needs to be  
5 replaced. An entire evaluation is being done now to determine what is absolutely necessary from a risk  
6 perspective. Overall, this is a holistic systems replacement and not a piecemeal replacement project  
7 with the goal being to enhance the WWTF altogether.  
8

9 Councilor Albert asked if there is a projected payment and cost expectations for the \$7.1 million, with  
10 which Assistant Town Manager/Finance Director Paul Micali replied that they are working on that.  
11 Additionally, they are looking at other possible ways to save money, such as incentives from  
12 Eversource or potential grants to help get the project completed.  
13

#### 14 **5. Letter of Support – House Committee on Transportation & Infrastructure Projects**

15 *Submitted by Public Works Director Kyle Fox*

16 The Town Council to consider writing a letter of support for each proposed project submitted to  
17 the House Committee on Transportation and Infrastructure, which includes replacing part of the  
18 Souhegan River Pedestrian bridge and the Baboosic Lake /Turkey Hill Road Roundabout  
19 Project.  
20

21 Assistant Town Manager/Finance Director Paul Micali stated that Congressman Chris Pappas’ office  
22 reached out to the Town asking if we have any projects to include in infrastructure. To qualify, the  
23 projects had to be completed by fiscal year 2021 or calendar year 2022, meaning that the projects had  
24 to basically be “shovel ready”. The Town submitted 4 projects that are also listed on Congressman  
25 Pappas’ website: The pedestrian bridge, the Turkey Hill roundabout, upgrading one of the pump  
26 stations, and an infrastructure upgrade for dispatch and communications. Two projects were sent back  
27 as they do not qualify: The upgrades for dispatch and communications and the upgrade to the pump  
28 station. The pedestrian bridge was pushed forward as a “maybe” and the Turkey Hill roundabout did  
29 qualify, so Assistant Town Manager/Finance Director Paul Micali is asking for letters of support from  
30 the Council to bring with him when he and Public Works Director Kyle Fox meet with the House  
31 Committee tomorrow. This program is highly competitive and there is limited time to discuss the  
32 projects at the meeting (one minute per project), so they believe that letters of support will go a long  
33 way.  
34

35 **MOTION was made by Vice Chair Boyd and seconded by Councilor Healey to consider writing**  
36 **a letter of support for each proposed project submitted to the House Committee on**  
37 **Transportation and Infrastructure, which includes replacing part of the Souhegan River**  
38 **Pedestrian bridge and the Baboosic Lake /Turkey Hill Road Roundabout Project. MOTION**  
39 **CARRIES 6-0-0**  
40

41 Assistant Town Manager/Finance Director Paul Micali called for an amendment to ask if Chairman  
42 Koenig can sign the letters for the Council, in which Chairman Koenig agreed to.  
43

44 Councilor Harrington suggested stating in the letter that the Town has been basically separated by the  
45 highway and that having the pedestrian bridge would increase accessibility between the two parts of  
46 the town. Chairman Koenig read part of the letter template created by Mr. Fox that highlights how  
47 valuable the pedestrian bridge would be for the community and it would greatly increase pedestrian  
48 access from one part of the town to the other.  
49  
50