



## Town Council Meeting Minutes

Thursday, February 13, 2020 at 7:00 PM, in the Matthew Thornton Room

Chairman Koenig called the meeting of the Town Council to order at 7:10 p.m. Present at the meeting were Vice Chairman Boyd (arrived at 7:16 p.m.), Councilor Albert, Councilor Harrington, Councilor Healey, Councilor Rothhaus, Councilor Woods, Town Manager, Eileen Cabanel, and Assistant Town Manager/Finance Director Paul Micali.

### Pledge of Allegiance

Chairman Koenig led in the Pledge of Allegiance.

### Announcements

Town Offices will be closed on Monday, February 17<sup>th</sup> in observance of Presidents Day.

Filing period for Town offices to be elected at the April 14<sup>th</sup> Town Meeting is Wednesday, February 26, 2020 through 5:00 p.m. on Friday, March 6, 2020.

Regular meetings of the Town Council will be conducted on Thursday February 27<sup>th</sup> and March 12<sup>th</sup> beginning at 7:00 p.m. in the Matthew Thornton Room.

The Deliberative Session is scheduled for Wednesday, March 11, 2020 at 7:00 p.m. at the James Mastricola Upper Elementary School All-Purpose Room.

The Parks & Recreation Department invites you to join them on Saturday, February 22<sup>nd</sup> from 12:00 – 3:00 p.m. at Wasserman Park for the 28<sup>th</sup> Annual Winter Carnival. The event features an afternoon of free games, crafts and other activities designed to encourage people to get outdoors during the winter months. Highlights include a youth Ice Fishing Derby, ice carving demonstration, campfire with s'mores, sledding, snowshoeing; a visit with Elsa & Anna from Frozen and much more. For more details, visit the Parks & Recreation Dept website at [www.merrimackparksandrec.org](http://www.merrimackparksandrec.org) or call 882-1046.

2020 Dog licenses now available. Dog licenses are due by April 30<sup>th</sup>. To license, the Town Clerk's office will need current rabies information and a neuter/spay certificate, if applicable. The Town Clerk's office will be open on Saturday, April 4<sup>th</sup> from 9:00 a.m. to Noon for dog licensing.

The Public Works Department (PWD) will be hosting a Public Hearing for the proposed roundabout at the Turkey Hill Road/Baboosic Lake Road intersection. The meeting will be held on Wednesday, March 4, 2020 at 6:30 p.m. at the Town Hall in the Matthew Thornton Room.

Councilor Albert spoke of the loss of a longtime resident, Gary Watson. Gary was a long-time member of the CrimeLine. He and his Wife Jackie were actively involved and greatly supportive of the Police Department. They raised three boys in the community. Gary was a retired Nashua Police Captain as well as the Chief of Police in Norwich, VT. He expressed his condolences to the family.

Town Manager Cabanel expressed her sincere congratulations to Denise Roy, Police Chief, on her last chemotherapy session she had earlier in the day. She has been a champ through the whole thing, and we are all really glad this is her last one.

1 **Comments from the Press and Public**

2  
3 Mike Malzone, 8 East Chamberlain Road

4  
5 The over \$30 million that is looking to be spent is an astronomical amount.

6  
7 With regard to salt mitigation, if investing more on engineering, savings could be achieved. As an  
8 example, East Chamberlain Road was poorly engineered; it has to be salted every morning because the  
9 pitch is going the wrong way, and every day snow melts it travels across the bottom of the road.

10  
11 Water contamination coincides with salt use. The example of the area by the cinema was provided;  
12 Beaver Brook is behind the condos. Some of the water from the back parking lots will be in the brook,  
13 Horseshoe Pond, and the Merrimack River, which then dumps into the Atlantic Ocean. He spoke of  
14 the increased need for services with increased construction.

15  
16 If serious about climate change, we should tackle the whole issue and include lighting and noise  
17 pollution.

18  
19 He spoke of the F150 purchased by the Police Department questioning the need.

20  
21 Charles Mower, 4 Depot Street

22  
23 The Town has made great progress. Town Government is now functioning in the 21<sup>st</sup> Century, and he  
24 is particularly pleased that the PWD is exercising Best Management Practices (BMPs) in regard to  
25 non-point source pollution and level of surface traffic, etc. Given the support of the voters and the  
26 Town Council, the Town Manager and her employees have done an excellent job.

27  
28 **Recognitions, Resignations and Retirements** - None

29  
30 **Appointments**

31  
32 **1. Salt Mitigation Presentation**

33 Submitted by Emery & Garrett Groundwater Investigations Principal, District Manager and Senior  
34 Hydrogeologist James Emery

35 The Town Council to be presented with the issues Merrimack faces as a community relative to the  
36 application of road salt and its adverse impact on drinking water quality and to discuss the current  
37 salt use practices and how they must be modified.

38  
39 James Emery, Principal, District Manager/Senior Hydrogeologist, Emery & Garrett Groundwater  
40 Investigations, provided a presentation (can be viewed [here](#)). He spoke of the issue being one of  
41 concern and that it will take the efforts of the entire community to contribute to reversing the issues  
42 being seen regarding salt contamination of groundwater.

43  
44 The Merrimack Village District (MVD) relies exclusively on groundwater. They supply nearly 1  
45 billion gallons of water annually to over 9,300 connections. They are serviced by 7 wells. Currently  
46 wells 4, 5, and 6 are not in operation. A map was displaying showing the location of the 7 wells and  
47 highlighting recharge areas to the production wells. Each one of the production wells is what provides  
48 the drinking water to the Town.

1 Over the past 30 years, sodium and chloride levels have increased in all of the MVD production wells.  
2 In 2011, a grant was obtained from NHDES to investigate, in more detail, where the contaminants are  
3 coming from.

4  
5 Chloride has a NHDES and EPA Secondary Maximum Contaminate Level (SMCL) of 250 mg/L.  
6 Sodium has an EPA Drinking Water Advisory of 20 mg/L for people on a sodium restricted diet. The  
7 EPA recommends keeping sodium levels below 30-60 mg/L for taste and aesthetic reasons. Sodium  
8 has a NHDES SMCL of 250 mg/L. A photo was displayed of an uncovered salt pile in a parking lot;  
9 clearly an avenue for contaminants to migrate into the groundwater.

10  
11 Sodium Chloride is the most common deicing agent used in the State of New Hampshire because of its  
12 low cost and effectiveness. As the percentage of a watershed covered with roads, sidewalks, and  
13 parking lots increase, the amount of deicing material applied within the watershed also increases.  
14 Sodium and chloride readily dissolve in water and do not degrade in the environment like some other  
15 contaminants. Treatment costs to remove sodium and chloride are far greater than PFAS removal or  
16 removal of other groundwater contaminants (VOCs).

17  
18 Benefits to reduced sodium and chloride, in addition to the protection of groundwater resources,  
19 include reduction in chloride contributions to stormwater pollution, water quality and ecosystem  
20 improvements, reduced presence of invasive plant species, reduced corrosion on vehicle fleets and  
21 equipment, reduced damage to highways and bridges, and avoidance of Clean Water Act enforcement.

22  
23 In 2011, tasks included identifying the salt sources, calculate an annual mass loading, develop a  
24 mitigation plan, and consult with key parties, e.g., fire, police, PWD, Town.

25  
26 They looked at local, State, and private roads, parking lots, residential driveways and septic, and  
27 atmospheric. A map was displayed showing the potential sources of salt in MVD wells 1, 2, and 3.  
28 The areas of concentrated zones where salt is added at high levels were highlighted.

29  
30 When developing a mass balance, it is salt in - minus salt out = salt stored in the aquifer. Salt is  
31 brought in when salting the roads and flows out through the streams and rivers. What remains is what  
32 is stored in the aquifer.

33  
34 They developed a loading model for each wellhead protection area, prepared GIS maps to illustrate  
35 loading, used available water quality data to identify trends, evaluated drainage and groundwater flow  
36 directions, and identified key stormwater flow paths and salt transport mechanisms.

37  
38 A map was displayed depicting the groundwater recharge area and highlighting the road salt  
39 application tons per mile for each road, highway, parking lot, etc. That was done for all of the zones.  
40 Current information is being investigated.

41  
42 The 2011 study was intended to identify critical areas where the recharge impacts. Even within the  
43 groundwater recharge area, there are areas that are more critical.

1 Datasets were created. To obtain the data, they measured the salt in storm drains, ponds, and wells (2,  
2 3, 4, 5, 7, and 8). All of the data was tabulated. The result was that in wells 4 and 5 (Saint-Gobain  
3 area), out of all of the salt that was in that system, 61.9% came from roads, 37% came from parking  
4 lots, and the rest from driveways, septic systems, and atmospheric. In wells 1, 2, and 3, parking lots  
5 made up about 40%, roads about 56%, and driveways about 2.8%. In wells 7 and 8, parking lots  
6 (60%) made up more of the salt load than roads did (40%).  
7

8 Well 2, which produces about 1,100 gallons/minutes (over 1.5 million/day) and is the highest yielding  
9 well in Merrimack, from 2001-2011 showed a chloride increase of about 1.3 mg/L each year and a  
10 sodium increase of about .5. From 1992-2019, it was broken down between what happened between  
11 1992 and 2011 and then from 2011 – 2019. From 1992-2011 the chloride increases were about 2.9  
12 mg/L but from 2011-2019 it jumped up to 3.54/mg/L. Sodium was approximately the same. We're  
13 doing okay given the chloride SMCL is 250.  
14

15 For well 3, from 2001-2011, chloride increased 3.4 mg/L each year and Sodium 1.7 mg/L. When  
16 looking at the levels from 1992-2018, you see a dramatic change. In 1992-2011 a 9.96 mg/L increase  
17 each year was seen with a Sodium level increase of 3.83 mg/L. From 2011-2019, we're seeing a 25.2  
18 mg/L increase. That is a 250% increase in the last 8 years. These numbers have far exceeded the  
19 chloride SMCL of 250. Its moving towards the standard level in sodium.  
20

21 Asked why well 3 differs so greatly from well 2, Mr. Emery stated it to be a combination of  
22 Continental Boulevard, Industrial Drive, Fidelity parking lot, etc.  
23

24 Well 5 has been offline for a number of years because of PFOA/PFAS. Up until it was taken offline in  
25 2016, chloride increased about 6 mg/L each year and Sodium about 2.7 mg/L.  
26

27 Since 2011, we have seen a decline in chloride and sodium at well 7, which is encouraging. It went  
28 from 7.15 mg/L to 3.36 mg/L increase. We can make a difference in how we apply salt in this  
29 community, and we have to.  
30

31 Well 8 shows a great change in the decrease in chloride and sodium. That is great news since MVD is  
32 putting a treatment plant on that particular well.  
33

34 A comparison was provided of the increases in sodium and chloride for each of the wells during the  
35 period of 1992-2019; well 2 - 324% (sodium) / 504% (chloride), well 3 – 735% / 702%, well 5 – 234%  
36 / 209%, well 7 – 173% / 167%, and well 8 138% / 135%.  
37

38 Mr. Emery commented one could argue that perhaps the winters are worse today than they used to be.  
39 He displayed a winter severity index (2000-2018), which shows a slight increase in winter severity. It  
40 is truly a fluctuation. The worst winter was in 2007. He does not believe the winters to be the cause of  
41 increases in sodium and chloride levels.  
42

43 Photos were displayed of situations occurring in Town (taken December 6<sup>th</sup> through this time). One  
44 photo of a restaurant parking lot located within the wellhead protection area of wells 4 and 5 showed  
45 the amount of salt on the parking lot following a storm.

1 Mr. Emery commented on a discussion he had with Kyle Fox, Director, PWD. The PWD does a good  
2 thing when it runs its spreader down the middle of the road (crown) so that when it melts, the salt  
3 moves to the side. Mr. Emery suggested there to be additional precautions that could be taken.

4  
5 A photo was displayed of salt remaining on the railroad tracks (well #s 7 and 8).

6  
7 In terms of mitigation, there is the need for public education and policy. He spoke of the positive work  
8 Merrimack has done in training their employees in the process of salt application, have calibrated their  
9 spreaders, and have done a good job on calibration. Mr. Emery suggested improvements could be  
10 made in the pre-wet salt and anti-ice. Merrimack has a good handle on salt alternatives. Record  
11 keeping is critical to be able to track the amount of salt used against the winter severity index.

12  
13 We are likely at a point where there is the need to define no salt areas. The MVD is sending mailings  
14 to all residents informing of the issue, there is talk of putting up a website to provide education, and he  
15 believes there is the need, at this point, for automated road signs in the wellhead protection areas so  
16 that plow drivers see a flashing light that identifies entering into a sensitive groundwater recharge area.  
17 Consideration of a reduction in speeds could take place.

18  
19 There is the need to define the level of service needed; as a Town, do we expect dry roads or roads that  
20 have sand on them and some snow. There should be pre and post storm meetings to learn from each  
21 storm event. Weather forecasting is tricky, but important.

22  
23 Automatic Vehicle Location Systems are the future where people are now monitoring the disbursement  
24 of salt and brine on roads. Through GPS systems, that is now available to every community.

25  
26 A questionnaire was sent out to snow and ice personnel from the Massachusetts DOT who looked at  
27 operational factors that affect road salt usage and the effectiveness and efficiency of salt spreading  
28 operations and equipment (2016). They were asked what are the biggest differences in the level of  
29 effort needed to maintain reduced salt zones versus regular spreader routes. Responses included more  
30 plowing time with more frequent passes to prevent snow pack, greater application frequency is needed,  
31 and perhaps more overall material needed to be applied and more time patrolling. Some of the  
32 recommendations were to optimize routes to reduce overlap, assign the best and most experienced  
33 operators to environmentally sensitive areas, employ the most efficient equipment (closed-loop  
34 controllers, use of brine and other liquids, etc.), and reduce and/or eliminate use of salt in reduced salt  
35 zones.

36  
37 In Merrimack only 9% of the area of the Town is in the wellhead protection area. We may have to  
38 eliminate the use of salt in some of these reduced salt areas to catch up at some point.

39  
40 Mr. Emery commented in talking to other communities, he spoke will Bill Belanger (Dover) who just  
41 won the State's Shaken but not Stirred Award, which is given to the one most outspoken who is out  
42 there saying this BMP doesn't work and I know what works and will apply it and demonstrate that I  
43 can do better. All of the water supply in Dover is groundwater. They have commercial activities  
44 throughout the city, and are one of the fastest growing cities in the State. They have decided that use  
45 of brine and pre-wetting and anti-ice is the best solution to reduce salt load. They allow a liquid brine  
46 to go out in front of the storm to get on the road and pretreat the road. They have purchased 5 trucks  
47 and have 2 more on order that will do this work. With these trucks, before the salt ever hits the road, it  
48 is touched with the brine. It prevents the bounce factor. When you have salt that is coming out of the  
49 truck, 30-40% bounces out of the drive lane.

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Mr. Emery stated his belief we can and should take the time to reverse this trend, and it is within the power of the community to do so.

Councilor Rothhaus stated his belief all of the plow trucks have the equipment to measure salt use. He noted the State takes care of the roads in the area of well 3. He spoke of being uncertain if the Planning Board put stipulations on the Merrimack Premium Outlets (MPO), and whether that is monitored. Mr. Emery remarked the outlets are outside of the wellhead protection area. They also have a no salt policy.

There is the need for the State to engage in the discussion. Mr. Emery spoke of having found out in the last week that the State has at least two of the tankers that utilize the brine. They are brand new and sitting in parking lots not used because they don't know how to use them. The State has to get engaged in this area. It is a large amount of salt that goes in, and it is important. We have to get to Fidelity and say we need you to help.

Councilor Rothhaus asked if MVD has approached either group, and was told they have not yet. He stated his belief Fidelity, being a good neighbor, would be happy to work with us in that regard.

Town Manager Cabanel remarked it is really important, before calling out a company like that, that you have actually reached out and informed them of the problem. She stated a desire to understand the percentages of Town controlled roads and that of those controlled by the State and others so that she could understand what part the Town could participate in.

Mr. Emery noted the outreach that occurred in 2011. Because it will require everyone to be engaged is the reason they wished to present to the community in its entirety. The MVD will do the outreach, and the exact data on the percentage of Town controlled roadway, etc. will be provided.

Town Manager Cabanel commented Fidelity would be mortified if they knew they were being called out without being contacted. They are very conscious about what goes on. She would like outreach to the State as well. She believes it premature to give a report like this without having contacted the proper parties to inform them.

Don Provencher, Chairman, Board of Commissioners, MVD, commented they looked at this evening as an initial presentation to be on record and publicized. The presentation will be available on YouTube, can be posted to MVD's website, etc. A letter has been prepared that will go out to the sites in the wellhead protection areas that are required to maintain a salt restriction. The biggest issue that he sees is grandfathered sites. That is something he believes will take a phased approach where grandfathered properties will have to be asked to reduce salt usage. He stated his understanding those properties can use as much salt as they wish as they predate the bylaw. If it doesn't seem to be enough the next level would be to possibly institute a new bylaw or somehow amend the existing so that there aren't any grandfathered sites.

He spoke of being encouraged by a memo provided to him that had been prepared by Timothy Thompson, Director, Community Development Division, that states as of 9-3-19, the Planning Board now has new site plan regulations that preclude salt use in aquifer, conservation, and wellhead protection areas. That is exactly what is needed.

1 He provided the example of well 3, which was one of the two that was approved through a warrant  
2 article last year for PFAS treatment. It also needs iron and manganese treatment, which will be at a  
3 cost of approx. \$5 million, and has to be done before treating for PFAS. Looking at total cost for well  
4 3 and seeing the sodium and chloride levels that are over the limits, is causing them to pause. They  
5 have commissioned Emery & Garrett to see if, in this same watershed, there is a better location for a  
6 new well.  
7

8 Mr. Emery remarked they were not suggesting that Fidelity was doing anything wrong. He did not  
9 want anyone to come away from the conversation believing that. What he was saying is that  
10 impervious cover that is used and salted is contributing to a groundwater issue. The game is to  
11 determine if we can get as many parties that are in that region of the groundwater recharge to help  
12 lessen the sodium and chloride load.  
13

14 Councilor Healey asked if NHDOT has been approached and made aware of the presentation, and was  
15 informed they have. She noted in the areas of wells 2, 3, 4, and 5, there are already no salt or low salt  
16 areas. There are safety concerns and people need to slow down. She commented owners of businesses  
17 in Town will be concerned with the safety of their patrons, and questioned alternatives to ensuring the  
18 roadways/walkways can be safely traversed. She commented if you are an asthmatic, you are aware of  
19 when brine has been laid down. There is the need to find something a bit better.  
20

21 Mr. Emery commented one of the things the State has done is provide the SnoPro Certification. If the  
22 private contractor that is salting a parking lot is certified, the State limits the liability for slip and fall.  
23 That should be promoted and all private entities that have parking lots should require that certification.  
24 Chloride is the #1 groundwater contaminate in the State. Those communities that have their wells  
25 right on the highways are struggling with this issue as well. The State was invited, but did not attend  
26 the presentation in December, and has been provided a copy.  
27

28 Councilor Healey questioned if the homeowner or small business owner has available to them a better  
29 answer to what to use other than salt, that is still economical. Mr. Emery responded when you look at  
30 the amount of salt that is going into the system from residential it is almost inconsequential. What is  
31 being seen is the major impervious covers that are associated with the roads. Mr. Provencher  
32 commented on discussions around inviting some of the private landowners to a presentation at MVD  
33 so they can receive the information. The desire is to get the message out.  
34

35 Chairman Koenig commented if roads and parking lots are 50%<sup>±</sup> each, there is the need to reach out to  
36 those individuals to help them understand the impacts.  
37

38 Mr. Emery commented it needs to be understood that Merrimack doesn't have a lot of other choices for  
39 water. This has been looked at over the last 30 years. A lot of sites have been looked at. Asked if the  
40 filtration project has started on wells 2 and 3, Mr. Provencher stated the current plan is to put a  
41 treatment plant over by well 2 and look at an alternative for well 3. The hope is to locate one in the  
42 same corridor (between 2 and 3) to avoid taking more water out of the aquifer, just taking it from a  
43 new well. If they can find a well that is not as impacted with chloride, etc., they could run that new  
44 well into the treatment plant being constructed at well 2. They were anticipating a treatment plant at  
45 well 3 and bringing a water line from 2 to 3, but now that they are second-guessing using well 3, there  
46 is no need for that interconnecting line, and they decided to move the treatment plant over to well 2.  
47

48 Councilor Rothhaus stated the \$10 million warrant article was supposed to cover both wells. He  
49 commented on the remarks made about the additional \$5 million to deal with the sodium and chloride,

1 and questioned if it would be best to hold off and do the entire project together believing there would  
2 be cost savings.

3  
4 Mr. Provencher responded, as far as PFAS goes, if the Maximum Contaminant Levels (MCLs) stay in  
5 force, all of Merrimack wells will need to be treated. They have to proceed with treatment. The  
6 warrant articles are essentially a moot point now. Had they not done any warrant articles they would  
7 still be here today mandated to treat all of our wells in Town.

8  
9 The sodium and chloride are not the only concern in well 3. There is iron and manganese treatment,  
10 which is part of what that \$10.9 million warrant article was going to include. When looking at the  
11 chlorides in there, he is hesitant to move forward on that piece of it because if we can't get the  
12 chlorides under control we will have made an investment that is jeopardized. If able to find another  
13 well in the same region that does not require the iron and manganese treatment they can save \$5  
14 million.

15  
16 There are other options that could be considered to replace well 3; Mitchell Woods; well off of  
17 Baboosic Lake/Mitchell Road. That doesn't have the capacity to replace well 3, but can replace some  
18 of well 3. There is also the potential for artificial recharge at wells 4 and 5 where they would take  
19 water out of the Merrimack River and recharge that aquifer so that there is more water available to  
20 pump at wells 3, 4, and 5. Maybe a combination of those 2 would replace the yield well 3 currently  
21 provides.

22  
23 Mr. Emery remarked they are looking at every available option because the situation is significant. All  
24 of the wells outside of 7 and 8 are going up in sodium and chloride, and we have to reverse that across  
25 the board. He does not have a lot of hope an alternative site will be found for well 3, but they have to  
26 cross that out first.

27  
28 Mr. Provencher stated the public education needs to be ongoing. With management companies that  
29 manage the clearing of parking lots, etc., there is turnover.

30  
31 Town Manager Cabanel remarked she believes with the new MCLs, the point isn't moot any longer.  
32 To the best of her knowledge the only contaminated wells, per the new MCLs, are 4 and 5. Mr.  
33 Provencher responded that is true. Those are the only ones that exceed the 70, but there is a Senate bill  
34 on the floor to incorporate the MCLs into the regulations so that it bypasses the DES MCL process. If  
35 that passes, it is done and there is no potential for litigation against the MCLs.

36  
37 Councilor Woods remarked it was 2008 or 2009 that, as a member of the MVD Commission, he was  
38 before the Council talking about sodium and chloride. Mr. Provencher is correct in terms of when they  
39 did address problems they became aware of during that time, often times the staff would find that yes  
40 personnel had changed, and the new property management people were simply not aware of the  
41 requirements/restrictions. During his time on the Commission, he had conversations with concerned  
42 citizens and knew the staff to be very diligent on following up on what they knew to be problems.  
43 Councilor Albert spoke of the recommendation of the Conservation Commission for the use of eco-  
44 friendly de-icers. Those recommendations are sent to the Planning Board and Zoning Board of  
45 Adjustment where he believes they are made a stipulation of approval for projects before them.  
46 Chairman Koenig stated the boards often do, if possible. As Director Thompson pointed out in his  
47 letter, the regulations now provide a bit more teeth to be able to accomplish that.

48



1 Asked who monitors whether the regulations are adhered to, Timothy Thompson, Director,  
2 Community Development Department, stated the Town relies on a system called Service Requests that  
3 any citizen or member of MVD staff, etc., can bring to the department's attention noting a violation of  
4 any site plan requirement. It is then investigated and followed up with enforcement action. Councilor  
5 Albert questioned how such requirements are enforced, and was told the property owner is sent a letter  
6 informing if not brought into compliance they are subject to the normal planning and zoning fines,  
7 which are up to \$275/day per violation. Asked if it has ever happened, he stated there to have been a  
8 few occasions in 2012 with Premium Outlets where they had to go out and meet with them to address  
9 some creep of their salt usage into the wellhead protection area.

10  
11 Chairman Koenig remarked the important thing to hear is that if they get a service request they can act.  
12 They don't act as police and go out and check to ensure the rules are being followed. We set up the  
13 rules, it is part of the site plan regulations, but it is sort of a self or community policed type of situation.  
14 That is where he believes an improvement could be made, by at least on an annual basis, sending them  
15 fall time reminders.

16  
17 He stated his belief the Planning Board does as good a job as possible convincing the commercial  
18 properties to behave and be part of caring for the environment. Mr. Emery commented to that end he  
19 thinks the Planning Board did a great job; when they were involved with the Premium Outlet they were  
20 very active in preventing any kind of salting, and that was a negotiated long drawn out process that  
21 was important. That was a benefit.

22  
23 Councilor Albert questioned, and was informed the department would make a presentation at a later  
24 date as to the efforts undertaken by the Town.

25  
26 Councilor Rothhaus questioned the cost of adding a salt filtration system onto the current \$10.9 million  
27 project. Mr. Emery responded he is not the right engineer to provide that information, but could say  
28 the treatment process for iron and manganese and the treatment process for sodium and chloride and  
29 the treatment process for PFOA/PFAS are different. You would have to go to a reverse osmosis plant,  
30 which is the most expensive of all three; much more expensive than the carbon and much more  
31 expensive than the filtration for iron and manganese.

32  
33 Mr. Provencher commented part of the problem is a reverse osmosis generates a wastewater stream as  
34 well. There is a 20% loss of water with the process.

35  
36 **Public Hearing**

- 37  
38 **1. Public Hearing – Proposed Municipal 2020-21 Operating Budget and Warrant Articles**  
39 Submitted by Town Manager Eileen Cabanel and Finance Director Paul T. Micali  
40 The Town Council will hold a public hearing to discuss the following:

- 1 • 2020/21 Proposed Municipal Operating Budget
- 2 - Including Capital Reserve Fund Expenditures
- 3 • Collective Bargaining Agreements
- 4 • Capital Reserve Deposits General Fund
- 5 • Capital Reserve Deposits Wastewater
- 6 • Proposed Issuance of Debt, as follows:
- 7 - Wastewater Treatment Facility Phase IV
- 8 • Petitioned Bonds, if any
- 9 • Other Petitioned Warrant Articles, if any

10  
11 These hearings are being held pursuant to the requirements of NH RSA 33:8-a (I), NH RSA 32:5, I,  
12 NH RSA 21:35, NH RSA 40:13 II-b and Town of Merrimack Charter Article 8-3.

13  
14 2020/21 Proposed Municipal Operating Budget

15  
16 Town Manager Cabanel provided a [presentation](#). She noted the importance of providing the public an  
17 explanation of how the budget process works. She commented on the nature of Capital Reserve Funds  
18 (CRFs); monies are allocated to CRFs as a savings mechanism for large capital projects, and monies  
19 are withdrawn from the CRFs and put into the operating budget to cover the cost of planned  
20 expenditures/projects. The movement of funds in and out of the budget can skew how you would look  
21 at a department or the overall budget. Utilizing CRFs as a means of saving for future expenses allows  
22 for the cost of planned projects to be paid for through savings as opposed to bonding/leasing.

23  
24 The proposed FY21 operating budget is in the amount of \$25,733,669. Capital Reserve Fund deposits  
25 total \$1,815,000, which is an increase over FY20. Other capital are things like police cars, one-time  
26 costs, etc. The allocation for road resurfacing is something that is set aside so that it can be measured.  
27 The desire is to ensure that as we move along with our budgets, we always keep an eye toward the road  
28 resurfacing. Attempts are made to increase the allocation each year understanding if not doing so  
29 would result in falling behind. Proposed for FY21 is an allocation of \$1,390,000. Capital Reserve  
30 Fund expenditures were previously included as part of the budget. Last year the DRA required the  
31 CRF deposits be pulled out of the warrant article and put in a separate warrant article.

32  
33 This year, the State has required that CRF expenditures not be listed within the budget. A large gap  
34 will be seen in the difference between the existing and proposed budgets because of those changes.

35  
36 One of the largest anomalies between FY20 and FY21 is the \$13,100,000 bond for the wastewater  
37 treatment plant Phase III project, which was approved by the taxpayers last year. Taxpayers were  
38 informed the total cost \$22.6 million would be broken up to lessen the impact in a given year. This  
39 year a request will be made to issue the remaining \$9.5 million bond to complete the project. There  
40 are revenues and expenditures that wipe each other out.

41  
42 Self-supporting funds are expenses/costs covered by revenue not garnered through taxes, e.g.,  
43 wastewater treatment plant, the operation/maintenance of which is covered through user fees.

44  
45 The amount of required appropriation is reduced by the amount of revenue received from sources other  
46 than taxation and increased by the amount of money for overlay, e.g., abatements, veterans' credits,  
47 and you arrive at the amount that has to be raised through taxation. The proposed budget represents an  
48 increase over the approved FY20 budget of \$1,179,197 or 7.27%. That is then divided by the amount

1 of total taxable value of the Town (projected to be \$3,465,077,036) to arrive at a projected tax rate of  
2 \$5.02, which represents a \$0.31 increase over FY20.

3  
4 The CRF expenditures, wastewater treatment fund bond, self-supporting funds are all items that don't  
5 have anything to do with the tax rate. All of the items that relate to the tax rate were quantified  
6 resulting in an increase in expenditures of \$1,718,889 or 6.2%. Revenues are shown as an increase of  
7 \$687,956 or 5.56%.

8  
9 Regarding increases in expenditures/appropriations, Town Manager Cabanel noted increases in project  
10 costs and staffing positions. She spoke of discussions that have been taking place over time regarding  
11 the anticipated need for additional safety personnel given the increase in residential units as well as the  
12 needed increase in the PWD as a result of the onerous stormwater program associated with the MS4.  
13 Those costs are starting to be seen in the budget.

14  
15 Increases in the budget include health insurance (\$17,807), workers compensation (\$48,087), anti-  
16 ransomware protection (\$23,100), NHMA membership (\$8,319), telephone (\$14,376), utilities  
17 (\$24,906), monitoring landfill (\$24,500), miscellaneous (\$39,237), solid waste tipping fees; trash  
18 (\$4,050) and recycling (\$50,950), sprinkler valves in the Town Hall (\$15,000), and CRF deposits  
19 (\$70,000).

20  
21 The decision was made to spend down the large Unreserved Fund Balance (UFB) that has accumulated  
22 by addressing one-time costs that have been identified, but not able to be funded and to reduce the tax  
23 rate. When the presentation was first provided the total increase was identified as \$650,000. When the  
24 list of reductions was prepared it was over zealous. It proposed a reduction in the cost of the fire  
25 station roof of \$48,000. The roof was actually supposed to come out of the UFB. It doesn't change  
26 the tax rate, but means the expense will be absorbed by operating expenses instead of a one-time cost.

27  
28 Compensated absences increased by \$146,000. The Town is required to set aside funding each year  
29 for employees eligible for retirement. There are four union contracts that were passed last year. The  
30 associated increase totals \$141,000. A non-union pay increase of 2% was requested and represents an  
31 increase of approx. \$98,000.

32  
33 In terms of staffing, the Health Officer position was adjusted from a part time to full time. An increase  
34 in Fire Department overtime is seen to allow for staffing to 9 full-time firefighters at all times and 1  
35 ambulance attendant from 8:00 a.m. to Midnight. In the Police Department, proposed is for the hiring  
36 of 2 full-time officers; one on July 1<sup>st</sup> and one in January. The MS-4 requirements result in the need to  
37 hire 2 full-time employees. In order to minimize the impact in a single year, 1 of the 2 positions would  
38 be hired half way through the year.

39  
40 Increase total for the proposed FY21 budget is \$1,883,889.

41  
42 Also within the proposed budget are reductions from FY20 to FY21. The MYA maintenance/Bise  
43 concession stand (\$25,000) and Naticook Lake Beach/Pond dredging (\$95,000) were one-time  
44 expenses for projects completed in FY20, planned for purchase are 3 police cruisers compared with 4  
45 last year, (\$20,000 reduction), and the fire station apron paving, which was completed this year  
46 (\$25,000). Total decrease of \$165,000.

47 With increases of \$1,883,889 and decreases of \$165,000, the resulting total increase is \$1,718,889.

1 The largest revenue source is vehicle registrations. Budgeted for FY21 is a total of \$5,625,000.  
2 Anticipated increases include ambulance revenue (\$50,000) auto registrations (\$200,000), and the  
3 Highway Block Grant (\$10,000). In the current FY, the SRO Grant addressed a portion of the year,  
4 and the Town was responsible for the remainder. That cost has been removed (\$28,400), and  
5 administrative charges, which are costs to other funds for administrative services provided by the  
6 Town (\$28,056). The net revenue increase is \$203,544.  
7

8 In FY20, \$1,066,588 of the UFB was utilized to offset the tax rate. Proposed for FY21 is the use of  
9 \$1,550,000 for an increase of \$483,412. The goal is for the retained fund balance to be between 4-8%  
10 of the total budget. With the planned use, the remaining balance would be just under 7.89%.  
11

12 ***Chairman Koenig declared the Public Hearing open at 8:52 p.m.***

13  
14 Rosemarie Rung, 21 Ministerial Drive

15  
16 Questioned if revenue figures include the additional State funding received by the Town, and was told  
17 the additional \$222,000 was included. As it was received in FY20 and will again be received in FY21,  
18 in the budget, it is revenue neutral.  
19

20 ***Chairman Koenig declared the Public Hearing closed at 8:53 p.m.***

21  
22 **MOTION made by Councilor Harrington and seconded by Councilor Healey to move to the**  
23 **Warrant a proposed Municipal 2020/2021 Operating Budget of Thirty Three Million Fifty Five**  
24 **Thousand One Hundred Eighty Four Dollars (\$). MOTION CARRIED 7-0-0**

25  
26 Assistant Town Manager/Finance Director Micali spoke of the prior practice of including CRF  
27 expenditures in the budget process. The DRA has informed the Town of two options; include the CRF  
28 expenditures as a separate warrant article or, as agents to expend, remove it from the budget process,  
29 and approve separately. The decision reached was to approve the expenditures separately.  
30

31 A summary of the CRF planned expenditures for FY21 was provided (detailed in discussion of the  
32 Capital Improvement Plan at the [12-5-19](#) meeting). Total planned expenditures from the general fund  
33 deposits that have been placed in the CRFs is \$2,414,000. From the Wastewater Treatment Fund,  
34 total planned expenditure is \$478,920. Total funding to come from CRFs is \$2,892,920. Approval for  
35 expenditures will be addressed at future meetings of the Council. Public hearings will be conducted  
36 for expenditures exceeding a determined threshold to ensure public awareness/transparency.  
37

38 Collective Bargaining Agreements

39  
40 Town Manager Cabanel spoke of attempts to stagger the 6 union Collective Bargaining Agreements  
41 (CBAs). The CBA for NEPBA 112 - Police Dispatchers and Office Staff, is a four-year contract that  
42 calls for 2% raises for years 1-3 and 3% in year 4. It also has a shift differential for the 2<sup>nd</sup> and 3<sup>rd</sup>  
43 shift. The recording secretary has a small pay increase, and added back is language permitting a  
44 Flexible Spending Account, which has no impact on the budget. Total increased cost for FY21 is  
45 \$19,465.

46 The CBA for NEPBA 12 - Police Officers, Detectives, and Sergeants, is a five-year contract having a  
47 2% pay increase in the first 3 years and a 3% increase in the 4<sup>th</sup> and 5<sup>th</sup> years. Flexible Sending  
48 Account language has been added. There is a shift differential for the 2<sup>nd</sup> and 3<sup>rd</sup> shifts. Removed was  
49 a bid shift, which was basically people with longevity were able to have some influence on what their

1 shift would be. The clothing allowance was increased by \$200/year to a total of \$900/member. The  
2 total increased cost for FY21 is \$107,221.

3  
4 Councilor Albert noted the removal of bid shift was an item the Chief and management believed  
5 important to allow the Chief to manage and allow for cost savings.

6  
7 ***Chairman Koenig declared the Public Hearing open at 9:06 p.m.***

8  
9 No public comment was offered.

10  
11 ***Chairman Koenig declared the Public Hearing closed at 9:07 p.m.***

12  
13 Councilor Healey stated her pleasure with the inclusion of language around Flexible Spending  
14 Accounts. It is a great opportunity for staff to be able to utilize that ability to set aside funds for  
15 unplanned medical expenses, etc.

16  
17 Capital Reserve Fund Deposits General Fund

18  
19 Capital Reserve Fund deposits include level funding in the categories of Liability Trust Fund  
20 (\$10,000), which is the property and liability insurance deductible, Daniel Webster Highway  
21 (\$50,000), Highway equipment (\$400,000), Library Building Maintenance Fund (\$75,000), property  
22 revaluation (\$15,000; five year evaluations required at an approx. cost of \$75,000), Solid Waste  
23 disposal (\$125,000), milfoil (\$10,000), and traffic signal pre-emption (\$5,000). Increases over the  
24 FY20 amounts are in the categories of ambulance (\$100,000), which represents an increase, over  
25 FY20, of \$20,000, athletic fields deposit of \$5,000, fire equipment (\$325,000) or an increase of  
26 \$75,000, and road infrastructure CRF (\$545,000) or an increase of \$95,000. Decreases are in the  
27 categories of communication equipment (\$100,000); decrease of \$25,000 and GIS (\$15,000), which is  
28 a decrease of \$5,000.

29  
30 Councilor Rothhaus questioned the amount of deposit planned for the Liability Trust Fund, and was  
31 informed the deductible is \$1,000, and the fund is run as close as possible to \$0 each year. The funds  
32 allocated in FY20 were utilized.

33  
34 Chairman Koenig noted the amounts to be allocated to CRFs are driven by the Capital Improvement  
35 Plan (CIP), which extends out for a six-year period and identifies anticipated capital purchases over  
36 time. By saving through this mechanism the Town is able to purchase capital items in cash rather than  
37 bonding/leasing, and is able to avoid spikes in the tax rate from year to year.

38  
39 ***Chairman Koenig declared the Public Hearing open at 9:18 p.m.***

40  
41 No public comment was offered.

42  
43 ***Chairman Koenig declared the Public Hearing closed at 9:19 p.m.***

44 **MOTION made by Vice Chairman Boyd and seconded by Councilor Woods to move to the**  
45 **Warrant proposed Capital Reserve Fund Deposits in the amount of One Million Eight Hundred**  
46 **Fifteen Thousand Dollars (\$1,815,000). MOTION CARRIED 7-0-0**

47  
48 Capital Reserve Deposits Wastewater

1 Town Manager Cabanel stated the allocation towards sewer infrastructure improvements has been  
2 increased by \$150,000.

3  
4 ***Chairman Koenig declared the Public Hearing open at 9:20 p.m.***

5  
6 No public comment was offered.

7  
8 ***Chairman Koenig declared the Public Hearing closed at 9:20 p.m.***

9  
10 **MOTION made by Vice Chairman Boyd and seconded by Councilor Healey to move to the**  
11 **Warrant a proposed Wastewater Treatment Facility Capital Reserve Fund deposit of Five**  
12 **Hundred Thousand Dollars (\$500,000). MOTION CARRIED 7-0-0**

13  
14 Proposed Issuance of Debt, as follows:

15  
16 - Wastewater Treatment Facility Phase IV

17  
18 Sarita Croce, Assistant Director of Public Works/Wastewater, provided a [presentation](#) on the WWTF  
19 Phase III Pump Stations & Phase IV Upgrade.

20  
21 The WWTF accepts wastewater from industrial, commercial, and residential sources. When it comes  
22 in, it comes into preliminary treatment (main pump station). Once it leaves the main pump station it  
23 travels all the way around the building and to the 3 primary clarifiers. The purpose of the primary  
24 clarifiers is to remove about 50% of the particulate matter. The water from the primary clarifiers then  
25 goes to secondary treatment, which has two purposes; to degrade or eat all of the organic material in  
26 the wastewater as well as remove some of the nutrients, e.g., phosphorous.

27  
28 You then go to the secondary clarifiers. Bugs are used in the wastewater treatment process to actually  
29 eat the organic material. The bugs are separated out in the secondary clarifiers. The water that is  
30 generated from the secondary clarifiers goes to disinfection. Disinfection is a very important part of  
31 the process. If you go back to the 1800s you will see there were a lot of epidemics, which were caused  
32 by disease in the water.

33  
34 The second piece is called solids handling. The primary and secondary clarifiers have solids that they  
35 generate that go to the sledge holding tanks. We dewater the sludge and bring it up to about 25-35%  
36 solids. Then the dewatered sludge is taken to the compost facility and compost or Class A biosolids is  
37 made. The compost is mixed with sawdust and treated with temperature to kill the pathogens that are  
38 also in there. When it comes out on the flip side there is a material that can be used by residents of  
39 Merrimack and be sold.

40  
41 An issue in the facility is that of flushable wipes. The problem is that they don't degrade. They will  
42 be addressed with a new screenings building. As part of the Phase III project, approval was received  
43 for \$13.1 million. The Souhegan Pump station, Thornton's Ferry pump stations, and the main pump  
44 station will be upgraded.

45  
46 When talking about the goals of the project last year, one of the major goals identified was to replace  
47 the equipment original to the facility (1970; cost of \$5 million / approx. \$60 million in today's dollars).  
48 About 50% of the equipment purchased in 1970 remains at the WWTF (useful life is 15-30 years).  
49 Another goal was to address safety issues. There have been ergonomic safety issues associated with

1 doing some of the preventative maintenance and treatment. There are a few code related issues that  
2 require addressing e.g., ADA compliance. Another goal was to address issues with flushable wipes.

3  
4 What remains in the project is upgrades to infrastructure in the Headworks Building, replacement of  
5 the mechanisms in the primary clarifier and 3 secondary clarifiers, sludge handling/pumping systems,  
6 sludge holding tanks, compost facility & amendment storage building, and instrumentation upgrades.

7  
8 Project scope for the Headworks Building includes a new emergency power system (2 generators are  
9 nearly 50 years of age). You are required by law to have backup power at a wastewater treatment  
10 plant.

11  
12 Sludge piping helps transfer sludge from different areas of the plant. The 50-year-old pipe will be  
13 replaced and simplified. As part of the project, a lift will be added to the entrance to make the facility  
14 ADA compliant. In addition, they will modify and upgrade the laboratory space. The hope is that,  
15 with the additional bench space, they will be able to support the stormwater program with their  
16 analysis. A new ADA bathroom will be added to the facility as well as a women's locker room.

17  
18 Essentially all moving parts will be replaced in the clarifiers. As part of the secondary clarifiers,  
19 brushes will be added. In the secondary clarifiers there is a troth of sorts where water goes after being  
20 separated from the solids. That troth happens to get a lot of algae growth. Currently, scrub brushes  
21 and hypo are used to scrub them down. The brush system will help eliminate that.

22  
23 Assistant Director Croce commented employees go into the sludge holding tank several times a year  
24 and physically clean out the bottom of the tank. Experienced are issues with flushable wipes. What  
25 happens is they will all be on the bottom and will coat the diffuser mechanisms. Employees will, by  
26 hand, remove the wipes from the diffusers and the bottom. This environment they are working in is  
27 quite toxic; hydrogen sulfide gas, which actually is deadly at certain concentrations. In order to  
28 address that issue, they look to lower the height of the tank by 4', and change the configuration of the  
29 top of the tank to provide for additional hatches. The ultimate goal is to utilize the vacuum truck to  
30 clean out the wipes and other things. She noted the new screenings facility should significantly  
31 address the issue with the amount of wipes that come to that system.

32  
33 Regarding the compost facility; a substantial upgrade was done as part of the Phase II Upgrade. There  
34 remain some items to be addressed; replacement of 6 exhausts fans, select exterior wall panels, select  
35 ductwork not replaced under Phase II, and amendment storage building with prefabricated metal  
36 building and concrete base slab. The storage building was condemned by an engineer in the fall of last  
37 year. It is currently not being used.

38  
39 Assistant Town Manager/Finance Director Micali noted for a \$9,520,000 million bond at 2% interest  
40 rate (going rate for State Revolving Fund Grant), interest would be \$2,951,490. Total cost of the 30-  
41 year bond would be \$12,471,490. If passed, the bond would be combined with the original \$13.1  
42 million bond (will be locked in at the 2% rate).

43  
44 The proposed bond has already been identified in the rate schedule, which shows an increase in sewer  
45 rates of 12% in FY20 and again in FY22. An increase is not proposed for FY21.

46  
47 Town Manager Cabanel noted the cost of the bond is not funded through the tax rate; it is funded  
48 through sewer user fees.

1 Vice Chairman Boyd questioned the amount of water the sludge tank holds and what the available  
2 quantity will be with the modifications. Assistant Director Croce stated they currently operate at  
3 around 1.9 million gallons/day in terms of the throughput to the wastewater treatment plant. You have  
4 to have the ability to store a certain amount of sludge in the event that your press/dewatering system  
5 goes down. Even with lowering the sides of the sludge holding tanks they calculated 20 days of sludge  
6 storage. The system has two sludge storage tanks, two septage receiving tanks, and two, ½ million  
7 gallon tanks that are equalization tanks.

8  
9 Town Manager Cabanel stressed the critical nature of the project. If not passing a bond, it is likely the  
10 project/cost will be imposed upon us. Most of the equipment has exceeded its useful life. She  
11 reiterated the cost will be garnered from user fees. Assistant Town Manager/Finance Director Micali  
12 spoke of the value engineering done on the project, and the confidence in the figure of \$22,600,000 as  
13 the total cost of the project.

14  
15 ***Chairman Koenig declared the Public Hearing open at 9:44 p.m.***

16  
17 Carol DiPirro, 10 Cambridge Drive

18  
19 Questioned if there is any testing of the sludge for PFAS or improvements to filter that out. Assistant  
20 Director Croce responded the Town is required by New Hampshire and Massachusetts to test for 10  
21 PFAS compounds. Currently, there are no technologies available to treat PFAS in sludge or in  
22 wastewater treatment plants. A great deal of study is ongoing for potential treatment options.

23  
24 Town Manager Cabanel remarked the wastewater treatment plant just issued a permit for Saint-Gobain  
25 having to do with their sewer permit and requiring them to do various things relative to PFAS at the  
26 source. They are balking at that, and have appealed. They don't want any reference to PFAS in their  
27 permit. They will likely be before the Council on the 27<sup>th</sup> appealing their permit.

28  
29 ***Chairman Koenig declared the Public Hearing closed at 9:48 p.m.***

30  
31 **MOTION made by Vice Chairman Boyd and seconded by Councilor Albert to move to the**  
32 **Warrant a proposed Bond for Nine Million Five Hundred Twenty Thousand Dollars (\$9,520,000)**  
33 **for Wastewater Treatment upgrades the Headworks Building, Primary Clarifier, Secondary**  
34 **Clarifiers as well as ADA improvements and other miscellaneous upgrades to the main plant**  
35 **MOTION CARRIED 7-0-0**

36  
37 **2. Public Hearing – Group Petition (NH Resolution to Take Action on Climate Pollution)**

38 Submitted by Mary Beth Raven

39 Town Council will hold a public hearing to receive public input on a Group Petition received,  
40 pursuant to Charter Article 10-1, B. The petition is to petition the Merrimack Town Council to  
41 include a Warrant Article at the 2020 Annual Town Meeting to adopt a New Hampshire Resolution  
42 to Take Action on Climate Pollution.

43  
44 John Gage, Windham

45  
46 Spoke on behalf of the Petitioner, Mary Beth Raven of Merrimack. He expressed gratitude for the  
47 opportunity to speak before the Council regarding fixing a broken energy market and what a town can  
48 do about a global pollution problem.



1 The purpose is to create the political will to enable Congress to pass legislation to address the climate  
2 pollution problem in a way that protects family purchasing power, U.S. businesses, and pushes the  
3 solution around the world. The Petition asks the voters for support to put State and Federal legislation  
4 in place to address the climate pollution problem.  
5

6 Thirteen years ago, 164 towns voted in favor of federal legislation to invest in clean energy  
7 technologies, reduce carbon emissions, and set up local energy committees. The State established  
8 local energy committees, the Federal Government did invest in clean energy technologies, but because  
9 the approach for the legislation on how to reduce carbon emissions was not identified and given the  
10 number of options available, a determination on that was not made.  
11

12 U.S. economists came out with a statement in the Wall Street Journal, which states what we really  
13 should do is price carbon. We can use incentives, subsidies/regulations, but they are not efficient or  
14 comprehensive and have no reach. We can reduce U.S. emissions by 100% and the world would still  
15 have 85% of the pollution.  
16

17 Currently, the energy market is failing to account for the costs of using fossil fuels in their price. We  
18 can either put that price up front and let the whole economy see the cost of pollution in the price of  
19 goods that cause pollution, or we can deal with it in other more expensive, less efficient ways.  
20

21 There are volunteers in 70 towns across the State working on getting this article submitted in their  
22 towns. This will be done again next year with the goal of 200 towns. Over 30 towns currently have  
23 warrant articles on the ballot for this election.  
24

25 When pollution is free we get too much of it. That statement is supported by over 3,500 U.S.  
26 economists. They see a simple market failure. The market failing to account for the cost of pollution  
27 whether from the production or use of a good is not good for society or the third party being harmed by  
28 the pollution.  
29

30 At the Federal level, this policy will reduce carbon emissions by 40% in 12 years and 90% in 30 years.  
31 It does so by putting a price on pollution. The policy pushes that price around the world. In addition,  
32 we're putting a price on carbon at the source. Cash back carbon pricing is a uniquely progressive  
33 result. It doesn't grow government; the government is not choosing where the funds go. All money  
34 goes back to the third party harmed by the pollution. It is a revenue neutral policy.  
35 Because everyone gets an equal share back, it protects family budgets. If you have an average carbon  
36 footprint you will break even. If having a below average carbon footprint you will come out ahead,  
37 which is most low-income families and anyone who tries to reduce their pollution to be less than  
38 average. It will grow the economy because low-income households having more income will spend it  
39 on basic needs, which will create 2 million jobs in 10 years and save 90,000 lives in 10 years by the  
40 reduction in other pollution from fossil fuels as we're reducing fossil fuels because of their climate  
41 pollution.  
42

43 Forty five other countries are already pricing carbon, but most are not nearly the price that economists  
44 say is necessary to drive emissions down at the rate needed. We can set the right price and use border  
45 adjustments to push our price around the world.  
46

47 We would charge coal, oil, and gas producers and importers a steadily increasing carbon fee (start  
48 around \$15/ton of CO<sub>2</sub> and increase by \$10 - \$15/ton every subsequent year; State level would stop

1 after 10 years at \$110/ton) and give all the money collected to all families equally to compensate  
2 everyone for the harms from that pollution.

3  
4 Other countries are pricing carbon higher than \$100/ton without border adjustments, and are able to  
5 compete successfully. The difference in natural market variability is greater than the average increase  
6 each year. This sends a strong price signal throughout our State so we will make forward looking  
7 decisions. Ten years from now we will likely have a carbon price in most countries, and if the U.S.  
8 does not, we will be paying border carbon tariffs when we export our goods. In that case, instead of  
9 monies collected going back to households, it would go to other countries. The Federal Government  
10 won't allow that to happen. At some point, we will realize, at the Federal level, it just makes sense to  
11 put a price on carbon.

12  
13 The State plan gives us a head-start and will be replaced by the Federal plan when it happens. The  
14 Federal plan uses border carbon adjustments to protect U.S. jobs and to push our carbon price around  
15 the world. Federal level will continue rising as long as it takes to reduce emissions by 90% of 2017  
16 levels, which economists estimate will take about 30 years.

17  
18 In regard to impacts on the Town, it is not a tax if the government doesn't spend the money. Most  
19 people come out ahead as most are responsible for less than average carbon pollution.

20  
21 Fixing the broken energy market to reduce fossil fuel use will reduce mercury and SOx pollution by  
22 95% in 10 years. It will stop the development of offshore oil exploration. More locally, projects like  
23 the NED pipeline would not be proposed as they would not have a positive return on investment.

24  
25 Reasons for supporting the cash-back carbon pricing include its efficiency; putting a price on the  
26 pollution corrects the markets failure to account for the costs, it's good for families; the cash-back  
27 method protects families from temporarily higher energy prices, it has a global reach; this solution  
28 addresses the problem, and the many co-benefits; less pollution, better health, and more jobs from  
29 leading the global clean energy transition.

30  
31 Councilor Albert asked for clarification on the fee being charged to the oil companies. Mr. Gage  
32 stated the producers and importers of fossil fuel would be charged the fee. There are about 3,000 in  
33 the U.S. Asked what would keep them from transferring the cost to the consumer, he indicated they  
34 will eat some of the cost to remain competitive and, as time goes on, will start passing more and more  
35 of the cost on. That is why the dividend is so important. If you have an average carbon footprint you  
36 will pay more through higher prices because the cost of pollution is starting to be reflected in the things  
37 you buy. With an average carbon footprint you would break even as you would receive one share of  
38 the monies collected.

39  
40 Councilor Albert questioned if it is believed the Federal Government would approve the plan and  
41 allow the fees collected to be returned to the citizenry. Mr. Gage commented it depends on how much  
42 you trust your government. The national grassroots non-partisan organization he is a volunteer on is  
43 called Citizens Climate Lobby. There are 180,000 volunteers worldwide, mostly in the U.S. There are  
44 a lot of bad climate policies that will hurt our bottom line. The intent is to educate citizen, and that is  
45 what this Warrant Article is intended to do; educate towns across the State on the specific policy that  
46 does protect our purchasing power and saying we want this policy at the State and Federal level.  
47 Currently, there is a State bill, HB735, and a Federal bill, HR763, where monies collected would pay  
48 for administration and the remainder returned (approx. \$5 billion year in administration costs; collects  
49 about \$75 billion in first year – it soon drops to about 1% of all money collected).

1  
2 Councilor Healey questioned the possibility of being hit with both State and Federal laws, and was told  
3 it would be possible, but not in this case as the State law includes language that dictates when the  
4 Federal law is put in place the Federal price cancels the State price.  
5

6 Councilor Healey asked for clarification that any charge collected by the government on a carbon tax  
7 will ultimately get passed to the consumer, but the hope is that the government will figure out how that  
8 breaks out per citizen and pay that back to the citizenry. She questioned the guarantees that part  
9 happens. Mr. Gage spoke of the need for the language to be very specific. Asked if there is an  
10 adjustment for regional variances, he indicated that to be an option for the policy, but not what is  
11 written into the Federal Bill. Canada did that; looked at rural versus urban living, different territories,  
12 etc. The simplicity of the design here was paramount. You look at the northeast and yes we pay more  
13 for energy and we need more to heat our homes, etc., but we are not a fossil fuel producer area. How  
14 this change will impact us is positive. The average person in New England will come out \$1,000  
15 ahead in 10 years.  
16

17 Councilor Rothhaus remarked what is being asked of the Council is to make this presentation to the  
18 Town, which, for him, is difficult. We have an opportunity in the Town Charter to allow for initiative  
19 petitions, and questioned why that path was not considered.  
20

21 Mr. Gage stated the carbon cash-back coalition began about 2 months, and a standard petition was  
22 created, which is believed could be utilized by every community in the State. If the voters support the  
23 petition, the request would be for the Council to send notification to the Governor, State Legislators,  
24 President, and members of Congress that the Town voters asked for this.  
25

26 Councilor Rothhaus stated the desire to understand how the economists concluded there would be  
27 negative impacts, e.g., West Virginia. Mr. Gage commented they work on developing relationships of  
28 trusts with each member of Congress and find out what their issues are and how they can move them  
29 forward. In West Virginia, their coal industry is being decimated. The pollution from firms that have  
30 failed is a real threat to communities. In that area, they are not talking about carbon price they are  
31 talking about how the government can help them get through this. Clean energy is important. Coal is  
32 not going to survive very much longer simply because of natural gas.  
33

34 ***Chairman Koenig declared the Public Hearing open at 10:30 p.m.***  
35

36 Margaret O'Neill, 60 Island Drive  
37

38 The purpose of the presentation is to have the warrant article approved for inclusion on the ballot.  
39 From there is when the education begins.  
40

41 Charles Mower, 4 Depot Street  
42

43 Helped obtain the signatures for this petition. Some of those signatures came from Firefighters. The  
44 number 1 cause of death amongst firefighters is Cancer, which comes from air pollution and the risks  
45 they take on our behalf. He had an oil truck driver sign the petition, a propane gas employee, and  
46 lawyers. These are registered voters in Merrimack. They expect that when they come to the Council  
47 you will join with them and form an alliance on something very important.  
48

1 The New England Aquarium had to shut down for 4 days this past year due to a King tide; where the  
2 moon and sun and earth are in synergy and there is a remarkably larger tide than normal. Their fluidic  
3 systems would not work under those high-tide conditions. They lost \$3.5 million over those 4 days.  
4 That is the economic impact of climate change.

5  
6 Another example given was the current price of lobster due to the large volume of lobsters moving  
7 north; trying to find colder water. In 10 years, there won't be a lobster in U.S. waters. Climate change  
8 is real, and is affecting all of us dramatically. We are already behind the 8 ball.

9  
10 The desire is to get something done at the local level that elevates this issue. This is one of the most  
11 straightforward things we can do to elevate the question. It is not binding on the Town or the State.  
12 We get to determine these things if we can just put it before the voters, which is what the Council sits  
13 here to do; to ensure that when petitioners have enough signatures that the matter goes before the  
14 voters.

15  
16 Ben Niles, 11 Fernwood Drive

17  
18 If approved by the Council, the Petition will go on the Ballot and be at the Deliberative Session. He is  
19 having a hard time understanding this. Giving tax dollars to our politicians and thinking they will give  
20 them back is wishful thinking. To him, this looks like a form of income redistribution. Those who  
21 consume more energy because they can afford to will get taxed many times more whereas if I were  
22 poor I would get a nice check. We want to incent people to be poor or remain poor in our country?  
23 That doesn't make sense. He spoke of the coal plant in Bow that is still operating. The movement to  
24 pressure the PUC from our Legislature to phase it out failed. We can't even close a coal plant, one of  
25 the dirtiest polluters of energy in our State. Then when we had the opportunity to bring in a large  
26 amount of clean energy from Hydro-Quebec, we got hung up on it. Our politicians don't do a good job  
27 of replacing dirty energy with clean energy.

28  
29 We're going to reward those that use the least amount of energy, but isn't the real issue how we create  
30 more clean energy? Simply shuffling money around among households, assuming the politicians will  
31 give it back to us, doesn't do anything that he can see for truly creating clean energy.

32  
33 When you hear the proponents it is all about wind and solar. We can't generate enough wind and solar  
34 in our country to satisfy our energy needs, and we don't have the technology to store it in vast amounts  
35 for when the sun doesn't shine, and we're not in the part of the country where we have steady wind.  
36 This whole situation is very complex.

37  
38 Even if we were to be good citizens of the world and do our part you need to consider Australia whose  
39 biggest export is dirty coal, and they are not willing to notch that back at all. It is indicated China will  
40 do carbon pricing. China has the greatest number of coal plants in the world; most have been built in  
41 the last 5-10 years and are still being constructed. They are adding solar as they know their days could  
42 be numbered and their cities are choking in pollution. Much of the world isn't going to step forward to  
43 match the best efforts of the leading countries relative to clean energy.

44  
45 He does believe it to be a noble concept and worthy goal, but the key is can we get there and how do  
46 we do it. He is not convinced we will get there in 5-10 years. The proposal sounds nice, but it doesn't  
47 get to the heart of the problem of how to create clean energy or less polluting energy.

48  
49

1 Jeanine Notter, 19 Whittier Road

2

3 Hopes, before deciding on this, the Council looks at the other side as not all scientists agree. She  
4 offered to provide copies of the book “Why Scientists Disagree About Global Warming”. The website  
5 of the Heartland Institute provides information on the other side of the issue, e.g., wind turbines; when  
6 the wind blows too fast, they shut down. The Bow plant is something she believes only runs when it is  
7 needed. There was a time last winter where it was so cold that they had to fire it up or there would not  
8 have been enough energy to heat homes. The carbon tax bill at the State House had a hearing that  
9 lasted all day long. A Merrimack company testified stating they already know no state will emit 0  
10 carbon dioxide so why are we trying to tax the people of New Hampshire up to \$800,000,000/year to  
11 solve a small portion of the less than .0029% we currently contribute. She cannot see how the average  
12 citizen of New Hampshire can rationalize this.

13

14 Carol DiPirro, 10 Cambridge Drive

15

16 Stated a desire to learn more. She does not believe the issue was before the Council to debate whether  
17 climate change is real or caused by humans. What Mr. Gage is presenting is a tax/pricing on carbon  
18 that is then, if worded correctly, limited 20% administration, etc. She does not believe its intention is  
19 to solve the entire climate issue.

20

21 Rosemarie Rung, 21 Ministerial Drive

22

23 Stated the bill came before the House and was tabled. There were several issues with it. One is that  
24 New Hampshire is such a small piece of the pie that it is really difficult to take some meaningful action  
25 on this outside of the context of the Federal Government doing something. The devil is in the details;  
26 the rebate that would be going back to NH citizens would have about a 7 month delay. It has a very  
27 negative impact on people in our State who live close to or below the poverty line. For them to pay  
28 higher energy costs, they would be deciding do I pay my oil bill or buy food, etc. It was felt it would  
29 put an undue burden on people who would be paying the most per income before receiving a rebate  
30 check.

31

32 She stated her belief it is important to have it on the ballot. It does raise the issue. It will help spark  
33 some conversations and the role of market forces. It would be prime to really apply the economic  
34 principles to energy so that people would have more of an incentive to go to alternative sources of  
35 energy or invest in renewable energy and at the same time some of these carbon producers would then  
36 find alternative products, invest in alternative energy sources, and be more efficient in their energy  
37 production.

38

39 She retired from the world’s largest chemical company. Back in the late ‘90s/early 2000s they went  
40 public with the fact that they were the largest carbon greenhouse gas emitter in the world, and put on  
41 annual goals to reduce that. She believes if a company comes out and says we are the largest  
42 greenhouse gas producer, we have to do something about it, it is definitely human generated climate  
43 change. There has to be education, but in New Hampshire we have to be cognizant of the practical  
44 implications of this on our citizens.

45

46 Ben Niles, 11 Fernwood Drive

47

48 Suggested if putting this before the voters, why not provide representative examples at various income  
49 levels or various scenarios whether based on size of home, etc. so that the impact can be understood.

1  
2 *Chairman Koenig declared the Public Hearing closed at 10:44 p.m.*

3  
4 John Gage, Windham

5  
6 Provided a [link](#) to a website that provides a calculator that can be used by anyone looking to put in  
7 their own information to determine what their results would be. It is a first year result; what happens  
8 when you put a \$15/ton price on carbon emissions.

9  
10 Regarding the science, Representative Notter provided a copy of a document by the Heartland  
11 Institute. The Heartland Institute was set up by the Koch brothers and is funded still by them to  
12 produce information that conflicts with the general scientific understanding of climate science. He  
13 recommended the public read the book “Merchants of Doubt”. The author is a Science Historian at  
14 Harvard. She researched why the public’s understanding of climate science was so different that the  
15 climate scientists understanding of it. A poll back then found that 97% of climate scientists agreed the  
16 earth is warming, it is due to human activities; mainly greenhouse gases from fossil fuels, and the  
17 current path looks pretty grim.

18  
19 Mr. Gage provided a myriad of examples noting the book goes through the history of businesses  
20 funding misinformation. He requested individuals interested in learning about the issue go to the  
21 science not the P.R. from firms who have ulterior motives.

22  
23 Councilor Harrington remarked there is a citizen request before the Council to put something on the  
24 warrant. She believes it to be her responsibility to allow that to happen. She questioned if agreeing to  
25 put it on the warrant indicates agreement with the language. Vice Chairman Boyd stated it does not.  
26 She believes the right of the petitioners to have it placed on the warrant outweighs any question she  
27 might have. She wished for it to be understood that voting to put it on the warrant by no means  
28 indicates whether or not she endorses it.

29  
30 Councilor Rothhaus questioned why the Council has initiative petition in the Charter. That requires  
31 500 signatures (10x what is required for the petition). He believes this to be a good education piece  
32 and something that should be discussed. He does not believe it to be a bad idea, but hesitates when it  
33 comes to charging fees that grow because you don’t do something. He does believe the market works.  
34 It is something that gradually figures itself out. He doesn’t want to be seen as endorsing it because he  
35 doesn’t know if it is good.

36  
37 Councilor Harrington stated the question before the Council to be whether or not it should go on the  
38 warrant, not to make a judgement based on content.

39  
40 Assistant Town Manager/Finance Director Micali read the following: Group petitions – action  
41 required “Town Council should hold a Public Hearing and act by taking a vote on the merits of every  
42 petition which concerns a matter on which the Town Council is empowered to act.”

43  
44 Councilor Rothhaus remarked we have to take an action, but we don’t have to put it forward.

45  
46 Chairman Koenig commented he feels a lot of what was stated is undocumented/unproven and just  
47 broad accusations. He has a hard time believing it without learning a lot more information. The  
48 biggest concept that the government will accept money and then give it back to the people blows his  
49 mind when he thinks about income taxes, Social Security taxes, or any other taxes the government

1 implies. Maybe someone has proven that somehow, but he cannot fathom it. He has a tremendous  
2 distrust in the government and does not in any way, shape or form believe that money is coming back.  
3 Some of it might and some of it might for 5 years. Income taxes were never going to go above 1% of  
4 your income for quite a while, but that went by the wayside because a new Legislature came in and a  
5 new set of Representatives came in, and it all changed. It can always change, and there is nothing any  
6 one law is going to be put down that will stop that.

7  
8 If a way can be found to garner that money and get it to the people without going through the  
9 government he might be interested in helping, but right now he does not believe there to be a viable  
10 solution. Charging companies higher fees to produce products will be passed on the consumers.  
11 People will see higher costs. Poor people will see more relative costs than the rich. We're totally  
12 destroying all of the things going on in the Democratic conventions right now where they are talking  
13 about how they want to help out the poor people and things like that. He personally cannot see how  
14 this could be viable.

15  
16 **MOTION made by Vice Chairman Boyd and seconded by Councilor Albert to move to the**  
17 **Warrant the petition to adopt a New Hampshire Resolution to Take Action on Climate Pollution**  
18 **MOTION CARRIED**

19 **4-3-0**

20 *Councilors Rothhaus, Koenig, and Woods voted in opposition*

21  
22 **Legislative Updates from State Representatives**

23  
24 Jeanine Notter, Deputy Republican Floor Leader, spoke of HB1563, drug forfeiture fund bill, which  
25 passed the Judiciary Committee 14-3. HB1620 – mandatory helmet legislation, drew a crowd so vast  
26 the Transportation Committee had to hold the hearing in Representative Hall. The State motto Live  
27 Free or Die prevailed; the committee voted Inexpedient to Legislate by a vote of 16-4. CACR14 –  
28 Constitutional Amendment Concurrent Resolution to put abortion into our State Constitution, also  
29 drew a vast crowd testifying against it including residents of Merrimack. The Judiciary Committee  
30 voted 18-2 to kill the bill.

31  
32 Representative Notter spoke of a website; presentdangerchina.org. Last week she met with Frank  
33 Gaffney, former Assistant Secretary of Defense under President Ronald Reagan and current Executive  
34 Chairman for the Center for Security Policy. With him was Joseph Bosco, former China Desk Officer  
35 for the Department of Defense under President George H. Bush and Doctor Sean Lin who was a  
36 survivor of the Tiananmen Square massacre. They were in New Hampshire for one day, and  
37 participated in a great deal of public outreach to talk about China.

38  
39 Representative Rosemarie Rung spoke of being on the Resources, Recreation, and Development  
40 Committee, and is aware the issue of Sodium and Chloride in groundwater is becoming a problem  
41 throughout the states. She wished to learn more, which is why she attended this evening.

42  
43 **Town Manager's Report** - None

44  
45 **Consent Agenda** - None

46  
47 **Old Business** - None

1 *There being no objection, the Council went out of the regular order of business to take up approval*  
2 *of meeting minutes.*

3  
4 **MOTION made by Vice Chairman Boyd and seconded by Councilor Healey to table the minutes**  
5 **of January 15<sup>th</sup>, 22<sup>nd</sup>, 23<sup>rd</sup>, and 29<sup>th</sup> until the February 27<sup>th</sup> meeting. MOTION CARRIED 7-0-0**  
6

7 **New Business**

8  
9 **1. Review of the 2020-2021 Default Budget**

10 Submitted by Town Manager Eileen Cabanel and Finance Director Paul T. Micali

11 The Town Council will review the 2020-2021 Default Budget.

12  
13 The default budget is the amount of the same appropriations as contained in the operating budget  
14 authorized for the previous year, reduced and increased, as the case may be, by debt service, contracts,  
15 and other obligations previously incurred or mandated by law, and reduced by one-time expenses  
16 contained in the operating budget. The result is a default budget of \$31,453,624. The tax rate for the  
17 default budget would be \$4.34.

18  
19 The tax rate on the proposed operating budget is \$4.50. The \$1,815,000 for CRF deposits is \$0.52.

20  
21 **MOTION made by Councilor Harrington and seconded by Vice Chairman Boyd to move the**  
22 **default budget in the amount of Thirty One Million Four Hundred Fifty Three Thousand Six**  
23 **Hundred Twenty Four Dollars (\$31,453,624) to the Warrant. MOTION CARRIED 7-0-0**  
24

25 **2. Review of the 2020 Town Warrant**

26 Submitted by Town Manager Eileen Cabanel and Finance Director Paul T. Micali

27 The Town Council to review and make recommendations on each article of the 2020 Town  
28 Warrant.

29  
30 **MOTION made by Vice Chairman Boyd and seconded by Councilor Harrington to waive the**  
31 **reading of the Warrant Article language and instead providing a brief description of each.**  
32 **MOTION CARRIED 7-0-0**  
33

34 **Article 2 - to vote to raise and appropriate the sum of \$9,520,000 gross budget for wastewater**  
35 **treatment upgrades to be raised by bonds.**

36  
37 **MOTION made by Councilor Woods and seconded by Councilor to recommend Article 2.**  
38 **MOTION CARRIED 7-0-0**  
39

40 **Article 3 - Shall the Town vote to raise and appropriate as an operating budget \$33,055,184 with a**  
41 **default budget of \$31,453,624.**

42  
43 **MOTION made by Vice Chairman Boyd and seconded by Councilor Healey to recommend**  
44 **Article 3. MOTION CARRIED 7-0-0**  
45

46 **Article 4 - To see if the Town will raise and appropriate the sum of \$1.815 million to be added to the**  
47 **Capital Reserve Funds listed in the Ballot.**  
48



1 **MOTION** made by Vice Chairman Boyd and seconded by Councilor Woods to recommend  
2 **Article 4. MOTION CARRIED 7-0-0**

3  
4 **Article 5** - To see if the Town will raise and appropriate the sum of \$500,000 to be added to the Sewer  
5 Infrastructure Capital Reserve Fund.

6  
7 **MOTION** made by Vice Chairman Boyd and seconded by Councilor Healey to recommend  
8 **Article 5. MOTION CARRIED 7-0-0**

9  
10 **Article 6** - Shall the Town vote to approve the cost items included in a Collective Bargaining  
11 Agreement with NEPBA Local 112 with the cost of the first year of the contract being \$19,465.

12  
13 **MOTION** made by Vice Chairman Boyd and seconded by Councilor Healey to recommend  
14 **Article 6. MOTION CARRIED 7-0-0**

15  
16 **Article 7** – Shall the Town vote to approve the cost items included in a Collective Bargaining  
17 Agreement with NEPBA Local 12.

18  
19 **MOTION** made by Vice Chairman Boyd and seconded by Councilor Harrington to recommend  
20 **Article 7. MOTION CARRIED 7-0-0**

21  
22 **MOTION** made by Vice Chairman Boyd and seconded by Councilor Woods to move the Town  
23 **Warrant to Deliberative Session on March 11, 2020. MOTION CARRIED 7-0-0**

24  
25 **Comments from the Press** - None

26  
27 **Comments from the Public** - None

28  
29 **Comments from the Council**

30  
31 Councilor Harrington expressed her appreciation to all the poll workers for a job well done.

32  
33 **Adjourn**

34  
35 **MOTION** made by Councilor Healey and seconded by Vice Chairman Boyd to adjourn the  
36 **meeting. MOTION CARRIED 7-0-0**

37  
38 *The February 13, 2020 meeting of the Town Council was adjourned at 11:17 p.m.*

39  
40  
41  
42 Submitted by Dawn MacMillan