



Town Council Meeting Minutes

Thursday, January 22, 2018, at 6:00 PM, in the Matthew Thornton Room

Chairman Harrington called the meeting of the Town Council to order at 6:00 p.m. Present at the meeting were Vice Chairman Rothhaus, Councilor Albert, Councilor Boyd, Councilor Flood, Councilor Koenig, Councilor Thornton, Town Manager Eileen Cabanel, and Assistant Town Manager/Finance Director Paul Micali.

Pledge of Allegiance

Chairman Harrington led in the Pledge of Allegiance.

Review of Proposed FY19 Budget

Library

Yvette Couser, Director, Merrimack Public Library, remarked when before the Council in November, information was provided on the activities taking place at the Library over the past year. She spoke of the Trustees having accepted the Strategic Plan. They are now able to allow the plan to guide decision making. The Library has experienced staff turnover. With several new department heads in place, they did not want to make a lot of changes to the budget. She stated the desire for department heads to assess their budget levels. They are in the middle of an assessment of the collection; looking at how they can collect statistics that really tell the story of what is happening at the Library.

The total difference between the FY18 budget and the proposed FY19 budget is \$55,528. The Trustees approved a few salary adjustments based on the wage and classification study that was done a few years ago. Staff turnover impacted the budget. New employees came on at a lower rate of pay. With two retirements, they were able to combine positions. There were some adjustments in # of hours.

Increases in Line Item #s 01-15-8107-0-Wages-Custodial, 01-15-8201-0-Office Supplies, and 01-15-8321-0-Maintenance-Buildings reflect actuals.

Line Item #01-15-8353-0-Computer Services is the area where consortium dues are captured, which always increase slightly. An increase is planned for internet services. The public internet throughout the building is not strong enough. The contract with Comcast for bandwidth must be changed; currently on business starter pack. Everyone comes into the Library with a phone; that is already taking up bandwidth.

Ms. Couser spoke of the GMILCS Consortium, which is a group of 12 libraries. With a Merrimack Library card, users can borrow things from Amherst, Bedford, Derry, Goffstown, Hooksett, Manchester, Merrimack, Milford, Salem, Windham, New England College and the New Hampshire Institute of Art. If you don't find something you want at the Merrimack Library, you can request it from another library in the consortium. There is a separate currier van that delivers within the consortium. There is a State library van that will deliver from all the other libraries in New Hampshire. The Consortium started utilizes a separate currier, and deliveries are received daily.

1 Asked about Line Item #01-15-8143-Incentive, Director Couser explained the intent is to provide the
2 authority, checking with the Trustees, to provide a monetary reward (one-time bonus) for exceptional
3 work.

4
5 When asked about Line Item #01-15-8300-0-Travel & Meetings, Director Couser stated the meetings
6 attended could be anything from a Consortium meeting to State and regional conferences. The
7 regional conference can be held anywhere in New England. The New Hampshire Library Association
8 has a State conference. The American Library Association has a conference. They don't send staff to
9 the big ones every year. She stated she would be sending her Tech Services Department Head to
10 Computers and Libraries, which is in Washington, DC.

11
12 Councilor Boyd questioned the decrease under Line Item #01-15-8280-0-General Insurance. Assistant
13 Town Manager/Finance Director Micali responded Primex provides the rate for Property & Liability
14 insurance. He takes that information and portions it out based on salaries, personnel, and a few other
15 factors. This year the Library's cost is decreasing.

16
17 Town Manager Cabanel questioned security related to users of the Library's internet. She spoke of an
18 unfortunate situation that occurred approx. a year ago, and asked if that resulted in changes to
19 procedure/policy. Director Couser stated they do not censor the internet. Personal information that is
20 connected to the library card is incredibly safe and is separate from the public internet. The policy is
21 standard in terms of users being responsible for what they look at. If looking at something
22 inappropriate, you would be asked to turn it off.

23
24 Richard Barnes, Chairman, Library Board of Trustees, stated there is an internet usage policy, which
25 covers what can and cannot be done on the public computers, but there is no software specifically
26 stopping someone from doing something malicious. Councilor Albert questioned how the Library
27 guards against viruses. Director Couser stated there is virus software. She commented it is not proper
28 for staff to spy on anyone and see what they are doing. Patrons should have the freedom to do
29 whatever work they want to on it. The Library asks that they keep it rated G. The computers are in an
30 open space.

31
32 Chairman Harrington remarked it would be a worthwhile discussion. Director Couser remarked it is a
33 discussion that could be had with staff and the Trustees to find out what is appropriate for them to do,
34 and how to go about doing that. She commented there are other communities that have software
35 installed on their computers, and sometimes there is a conflict between a library whose mission is to
36 provide access. When you start to set down barriers, it is a slippery slope. Councilor Albert noted the
37 Technology Committee has several qualified, experienced individuals who may be able to offer
38 suggestions. Assistant Town Manager/Finance Director Micali noted a local vendor is used for the IT.

39
40 Last year's cost for participation in the consortium was informed it was \$34,918.

41
42 Director Couser noted a change in Line Item #01-15-8359-0-Other Outside Services; SPOT, which is
43 allowing someone with a laptop to print wirelessly with the system of print release.

44
45 There was a lot of shuffling around under Line Item 01-15-8450-0-Library Materials, based on
46 demand.

1 Director Couser remarked typically when it comes to capital improvement projects she leaves it to the
2 discretion of the Finance Manager to prioritize projects. They are currently trying to locate a vendor to
3 repair or reconfigure the windows in the children's room so that they won't be vulnerable to what
4 seems to be an annual summer flood.

5
6 Councilor Boyd noted the \$40,000 increase in Line Item #01-15-8510-0-Capital Reserve Fund, and
7 questioned the goals for that funding. Director Couser spoke of needed repairs, and historically being
8 over-spent in that line. Assistant Town Manager/Finance Director Micali listed some of the repairs;
9 slate roof, sidewalk, drainage trench by the children's room, elevator, sprinkler system, granite steps,
10 signs and readers boards.

11
12 Councilor Boyd questioned if the requested allocation would be sufficient, and was informed most of
13 the projects are listed with placeholders in the out years. They have been accumulated over a period to
14 identify the anticipated cost, which was broken down resulting in a needed allocation of \$75,000/year.
15 The monies will be saved, and the cost not incurred for some time. Councilor Boyd stated the desire to
16 see the windows in the children's room addressed, and questioned if that would occur with the FY19
17 budget. Town Manager Cabanel stated, according to the CIP, that work is anticipated to occur in 2021.

18
19 When asked what the cost was to have ServPro in last year to clean out the basement, Assistant Town
20 Manager/Finance Director Micali stated it was \$1,000 out of pocket. Insurance will continue to pay it.
21 This summer the parking lot was reconfigured. Given the performance during the last two major
22 rainstorms, it appears to be working. There is the need to sit down with the Director of Public Works
23 to determine if the water on D.W. Highway is now being pushed back into that trench. That is the next
24 step. When asked what the balance of the fund is, he stated it to be slightly over \$42,000.

25
26 Councilor Albert questioned if consideration is being given to closing off the windows and filling the
27 trench in. Director Couser responded they have had a tough time finding a vendor willing to talk about
28 such a small job. Assistant Town Manager/Finance Director Micali noted they are trying to leverage
29 the window replacement project in Town Hall, which will go out to bid at the start of February.

30
31 Councilor Boyd questioned if monies are being allocated to engage in a consultant for a new library.
32 Assistant Town Manager/Finance Director Micali stated that is what was requested in the CIP. It looks
33 like that would be in 2019-2020. What they are looking at is a library evaluation; hire outside firm to
34 evaluate space needs, which may include renovations, additional or new building construction.

35
36 Councilor Thornton stated the desire to understand actual costs expended last year on the larger items
37 listed under Line Item #01-15-8450-0-Library Materials. Director Couser stated the changes were
38 related to Overdrive (downloadable books, audio, etc.), Hoopla, and video games.

39
40 Councilor Boyd requested, if engaging a consultant to review the space needs of the library, that
41 consideration be given to the location of the library in relation to Church Street and the O'Leary Center
42 (Town Center Committee has talked about closing Church Street in terms of sidewalk accessibility)
43 and thought be given to what can be reasonably done in terms of additional parking. Mr. Barnes
44 reiterated staff is evaluating requests for the library. When they meet with a consultant they will have
45 a list of identified issues/needs.

Councilor Koenig asked for clarification on the cost per person for health insurance having decreased. Assistant Town Manager/Finance Director Micali stated the health insurance for the Library is done separately through the Health Trust. Because they have their own Board of Trustees, and are a group smaller than 50, they can break away from the Town's plan. They go into a larger overall group, and receive a more favorable rate. They can switch back and forth as they wish. For disability insurance they are through the Town's plan.

Councilor Flood noted the Town Center Committee engaged in an extensive conversation about closing Church Street, and had thought it would augment parking. They were turned down because of the loss of an exit. That does not mean it could not be revisited.

Community Development

Town Manager Cabanel spoke of the request to replace the current fleet vehicle, which is a 2007 former police cruiser with 110,000 miles. She commented on the need for vehicles in many departments in Town, the lifespan of the fleet vehicles and the practice of handing them down from one department to another to ensure the Town gets all the use it can out of them.

Timothy Thompson, Director, Community Development Division, stated the overall increase in the proposed budget is \$13,109. However, if you take out the capital expenditures (one-time expense for vehicle and GIS Capital Reserve Fund (CRF) deposit) the budget decreased by \$6,891. It is essentially a level funded budget. The primary increase is the vehicle. He commented the department has depended on the reuse of former police cruisers over the 6 years he has been here. The most recent vehicle was a 2007 vintage vehicle that stopped wanting to go forward. They have been able to borrow a vehicle from the Fire & Building Departments, and are now using the vehicle that the Public Works interns use during the summer. He spoke of the site inspections/visits the department does in addition to traveling to/from meetings, workshops, etc.

During the last year, the department lost its part-time secretary to a private sector position and the Planning & Zoning Administrator to the City of Portsmouth. Following those changes, he has hired a local resident, Sharon Haynes, who has a young child, and is looking only for a part-time position, and is not interested in a full-time position any time in the next several years. She has been a nice addition to the staff. Robert Price was promoted from Assistant Planner to Planning & Zoning Administrator. Mr. Price has been with the Town for 3½ years. He has made nice strides and growth professionally here in Merrimack.

Most recently the department hired Kellie Shamel who previously worked for the Office of Strategic Initiatives for the State of New Hampshire. This is her first foray into local government. She is getting the experience, and is working well with the department.

By way of providing an update on the number of hours the department has spent at land use meetings, he noted in 2017, the department saw 106 agenda items for the Planning Board and Zoning Board of Adjustment (ZBA), which is up from 100 in 2016. They also went up from 67.12 staff hours to 80.12. He stated his belief the main reasons for that are having had a few larger projects as well as doubling up on staff with Kellie being new to the department (2 employees attending meetings).

Assistant Town Manager/Finance Director Micali noted the requested vehicle would primarily be housed in the department, but it will be available to all departments. When asked if employees could utilize their personal vehicles and be reimbursed, he stated they can. The proposed purchase would be of a used vehicle. Director Thompson commented one of the advantages to purchasing a used car outside of the existing pool of vehicles is the vast difference between the type of usage on a police vehicle versus a private vehicle.

Councilor Boyd questioned why the vehicle is listed under the Community Development budget rather than General Government. The response was that the request was made by the department for its needs. The department will utilize the vehicle 75-80% of the time. Councilor Boyd stated his belief it should come under the General Government budget. Town Manager Cabanel commented the reason they wished to put it under the Community Development is so that it is understood the vehicle is primarily that of the department.

When asked about the amount of mileage the department puts on a vehicle, Director Thompson stated his belief 95% of vehicle usage is local, and likely less than 2,000 miles/year. Typically, when traveling out of Town for conferences, etc., employees utilize their personal vehicles, and are reimbursed.

When asked, Director Thompson stated his belief the department has more than adequate tools and resources built into the budget for consulting services, if needed to manage the growth in the Town.

Assessing

Assistant Town Manager/Finance Director Micali stated were it not for the increase in health insurance, the budget would be flat.

Town Clerk/Tax Collector

Diane Trippett, Town Clerk/Tax Collector, commented in the 2007-2008 budget year there were a lot of calls for taxes to be reduced, budgets flat, etc. One of the positions within the Tax Collector's budget was reduced from full-time to 21 hours. That coincided with the State implementing their statewide motor vehicle system (MAP). The State has continually opened processes that communities can now do locally so that residents don't have to go to the DMV. Over the past several years, the number of State transaction types has exceeded local transaction types. She spoke of time-consuming processes involved in the State transactions.

The department has tried to work with the part-time positions, has submitted 7 funding requests to either increase hours, increase part-time hours to try to provide additional staff coverage. Some of the requests were very small, and almost every request has been granted over this 10-year period. The only ones that were not were requests to increase hours significantly. Two requests were submitted to increase the hours to 32, and then Obamacare an all of that got in the way, which made it impossible to offer more than 32 hours/week.

In the FY16 budget cycle, a request was made for a second 20 hr./week part-time position. She and the Deputy Town Clerk worked extensively to make the hours attractive to someone working part-time. It simply has not worked. Over the past 2 years they hired 5 part-time employees and received 4

1 resignations. One of the vacant part-time positions has been filled with an employee who had retired
2 this year. Over the past two years, between the two positions, there have been vacancies for almost 14
3 months. With the full-time employees they have had virtually no turnaround. She stated her belief by
4 placing the 28-hour position to full-time, it will stop the turnover.

5
6 Vice Chairman Rothhaus questioned if the turnover is due to pay or the desire for full-time
7 employment, and was told a few years ago it was both. The Town worked to address inequities in pay,
8 and what is being seen now is that it is a result of hours and lack of benefits. Two of the previous part-
9 time employees worked another part-time job. They need the hours and the benefits.

10
11 Councilor Koenig questioned the difference in cost. Town Manager Cabanel stated it to be approx. a
12 \$37,000 increase between the additional hours and cost of benefits.

13
14 Councilor Flood commented on the skillset required, and questioned if the compensation is sufficient
15 to attract an individual with this skillset for part-time work. Councilor Boyd questioned if it is a fair
16 statement to say the clerk that retired last year was making more than the highest clerical person listed
17 on the budget, and was told it would be. He questioned if the proposed staffing level of 1 part-time, 4
18 full-time, the Deputy Clerk, and Clerk is sufficient to handle the day-to-day operations. Ms. Trippett
19 remarked if the proposed full-time position is filled, once that person is in there and established, she
20 would expect they would stay with the Town.

21
22 Councilor Koenig questioned how consistent the flow is. Ms. Trippett stated the employees that assist
23 the public are busy always. If not at the counter, they are busy doing credit card transactions, dog
24 licenses, vital records, filing, etc. She spoke of the volume of mail and phone calls the department
25 receives.

26
27 Councilor Boyd questioned if there is an Interactive Voice Response (IVR) line that adequately routes
28 specific calls to a specific individual in the department, and if not, would that be helpful. Ms. Trippett
29 stated the system works similarly. Town Manager Cabanel stated her surprise there are not more
30 individuals utilizing the pre-paid envelopes. She spoke of her preference for an individual to answer
31 the phone whenever possible. Councilor Flood stated her belief the Frequently Asked Questions
32 option is helpful, and could perhaps be made to be more encompassing/extensive.

33
34 When asked if the hiring of the full-time position would result in increased hours of operation, Ms.
35 Trippett stated there is the potential for some flexibility there. It is possible they may be able to offer
36 one night a month where the office has extended hours into the evening. There are logistics that would
37 have to be sorted out.

38
39 Ms. Trippett remarked for many years the department had evening hours, and the amount of utilization
40 was not great. The subject of the rabies clinic was brought up. During that time the Town Hall was
41 opened. At that time there were about 3,000 dogs still needing to be licensed. They had 23 people
42 walk through the door. Nine hundred names were sent to the Police Department in June for unlicensed
43 dogs because nobody came in on the Saturday where Saturday hours were offered.

44
45 Line Item #01-24-8504-0-Office Equipment, has increased. A request is made for \$2,000 for printers
46 and \$53,400 for voting booths. One of the existing printers was purchased used in 2012/2013 and the
47 other is 10-12 years old. The voting booths were put in the budget for presentation purposes; however,

she is of the understanding they will go to the General Government budget. What the State has for voting booths is a four-station Franklin voting booth. New Hampshire law requires that each side of the booth have a curtain for privacy. The curtains are \$199 each. The four-station voting booths are \$869 each. Merrimack must have a total of 200 voting booths to comply with State law. They can be purchased in blocks. The Town currently has 160. Shortage is supplemented with voting screens.

Councilor Albert stated his belief the concern was not necessarily with the booths, but with the vote counting machines. Assistant Town Manager/Finance Director Micali stated a few counting machines were replaced. While in that process, they learned of the need to replace booths. He recommended, when replacing, that each location have its booths replaced at a single time. Were 40 purchased the required number would be met. Currently there are 30 at St. John Neumann, 40 at the middle school and the remainder at JMUES.

State law requires 1 booth for every 100 voters for a Presidential election, 1 booth for every 200 voters at a Town Meeting, and a Primary election requires 1 booth for every 150 voters. The curtain vendor is a sole source vendor.

It was noted the Town purchased an additional voting machine and a new black box (another sole source vendor). The vendor is no longer making them, and the State has not changed its requirements. Ms. Trippett stated her belief changes will be coming down. The State is still working on E-Polling. There is a meeting scheduled for February 2nd during which they will discuss the approved vendors. E-Poll is electronic checklist check-in. She stated her understanding there is a list of vendors that have been approved that municipalities can join with to pilot this. She believes the cost of participating in a pilot is that of the municipality, and the pilot requires a good deal of reporting back to the State. Before committing to such a pilot, she wishes to learn of the experience of other communities who have participated. She commented implementation is about 5 years out.

Media

Nicholas Lavallee, remarked the budget is similar to last year. Cost associated with health insurance has increased as did the cost of telephone service.

Line Item #32-32-8504-0 Office Equipment, shows a proposed allocation of \$60,000 for equipment upgrades; 4 new cameras for the Matthew Thornton Room, which will be approaching a ten-year lifespan at the time of replacement and equipment that will enable going live via cellular; will be able to televise live from any location. Beyond those costs, monies from revenue received from Comcast is generally returned to the general fund.

Councilor Koenig questioned if the new equipment would increase WiFi usage. Mr. Lavallee stated that is planned for in the budget under Line Item #32-322-8260-0-Telephone.

Town Manager Cabanel stated approx. \$400,000 in revenue is generated from the cable franchise fees on a yearly basis. The entirety of the media budget is paid by that revenue. Revenue received exceeds expenditures. A portion of that excess revenue (\$200,000) has traditionally been transferred to the general fund to offset taxes, and the remainder of the excess revenue has been placed in the media fund, which now has a balance of approx. \$700,000. She recommended the Council consider

transferring a larger amount to the general fund over a period of several budget years to avoid large fluctuations from year to year while reducing the tax rate.

Councilor Thornton questioned if the Town will be able, at some point, to televise over the HD channels. Mr. Lavallee remarked this has been discussed quite a bit. He spoke with the Comcast representative earlier in the day to see if the channels can be in the HD tier, which is very difficult to do. Comcast doesn't see community TV necessarily as a priority to shift it into the HD tier. Moving forward what the Media Department wants to focus on is the Town's programs being on demand and online.

When asked about the potential for increased clarity, Mr. Lavallee stated in addition to the cameras in the room, the switcher in the control room would be upgraded. They will be changing the entire workflow, e.g., how they encode meetings.

General Government

Town Manager Cabanel stated there to be no significant changes related to staffing. Health insurance is increasing. Compensated absences shows an increase, which is based on when a person has the ability to retire. There is a formula utilized to identify the amount of money individuals would be entitled to be paid when leaving employment.

Line Item #01-01-8293-0-Legal-Other has a proposed increase. Recent years have seen situations that resulted in the need to incur increased legal costs. She spoke of efforts made in the past to reduce the cost by not requesting legal counsel attend negotiations, and be used only to review language. Counsel does attend grievance hearings and provides opinions when requested. An additional \$25,000 allocation has been requested for the coming year because there are five union contracts that will have to be negotiated, and the volume of work associated with all contracts coming due in the same year is great.

Line Item #01-01-8351-0-Consultants has a proposed allocation of \$25,000 specifically for a space needs study for a combined south fire station and police station. An additional \$25,000 for this effort is identified in the Fire CRF.

Line Item #01-01-8359-0-Other Outside Services remains unchanged. The largest cost in that area is contractual ambulance billing services. An individual was hired to serve as a collector of ambulance billing, which has resulted in an additional approx. \$75,000 paid in this past year. The annual audit is at a cost of \$30,000.

Line Item #01-01-8410-0-Elections/Voter Registration has increased due to the increased number of elections; 3 in FY19 versus 1 in FY18, and an increase in the overall cost.

Line Item #01-01-8420-0-Advertising shows a proposed increase based on actuals.

Line Item #01-01-8510-0-Transfer to Other Funds is level funded. Chairman Harrington questioned what occurs with monies allocated towards property insurance deductible (\$1,000 each instance) if not expended in the year, and was informed it rolls over like a CRF. She questioned the balance, which was stated too be nearly zero.

Line Item #01-01-8910-0-Capital Reserve Fund Purchases identifies \$71,311 proposed for a telephone upgrade. The current phone system is antiquated. Assistant Town Manager/Finance Director Micali stated the system to be slightly over 13 years. Some of the functionality the system came with is no longer available because of upgrades in technology removing certain options. The upgrade will bring back some of the functionality such as being able to view if someone is on the phone, paging system, etc. Some of the switches are at end of life. It is not just the phones in Town Hall, it is the fire station, wastewater, highway garage, police department. All those phones are tied into the system that would be upgraded.

Councilor Boyd questioned line Item #01-01-8104-0-Wages-Other Full-Time; specifically, if the Town has hired the Technology Assistant, and was informed the position has been filled.

Town Manager Cabanel commented on not including non-union raises within the budget because she does not want to be presumptuous. Union raises are included because they are contracted. She had requested the Human Resources Coordinator review wages, particularly of department heads, to see where the Town is in comparison to other communities. In most cases, we are slipping behind, e.g., wages for Police Chiefs in comparable communities are about \$120,000, and the Town was only able to offer \$100,000.

The H.R. Coordinator contacted surrounding communities, took the middle range for each position from each community and averaged them out. From that, a list was created to identify the average salary for each of the positions. If a 3% increase were added across the board, the salaries, except for 2 positions, would continue to be below those of surrounding communities. She noted there were some positions where an apples-to-apples comparison could not be made.

Information was provided showing the increased cost in the instance of a 2% raise and a 3% raise. She stated her recommendation for a 3% raise, which has an associated cost of \$111,000 (\$0.03 on the tax rate).

In FY18, the increase was 2%, and in FY17 it was 5%. Councilor Boyd remarked that represents a possible 10% increase over the course of 3 years. Town Manager Cabanel noted unions all got a total of 9%, not including steps. The non-union employees fall out of line because they do not receive step increases. When asked, she stated, prior to FY16, the non-union employees received a \$1,500 stipend to change the health insurance. Prior to that the increase was 0%.

Proposed Issuance of Debt - None

Revenues

Town Manager Cabanel noted the first two pages are a summary. She commented, under general fund, there are not a lot of changes proposed apart from auto registration (\$300,000 increase), which is based on current trending.

Ambulance revenue was noted to be an increase. Interest-pooled cash may be able to be increased slightly more than the initial proposal. The road improvement fund (monies received from \$5

Approved: February 8, 2018

Posted: February 12, 2018

1 registration fee) remains consistent. The amount associated with tax overlay is money set aside to
2 address any abatements.

3
4 Town Manager Cabanel commented on the \$450,000 of year-end unreserved fund balance that was
5 used last year to offset the tax rate. She stated the desire to not make assumptions in that regard, and,
6 as a result, included the amount of the previous year's allocation (\$300,000) when preparing the draft
7 budget proposal.

8
9 Waste Water and Media are both self-supporting funds. Fire Protection is the cost of water for the fire
10 hydrants in that district.

11
12 The other self-supporting funds, e.g., details, day camp, are listed under revenue as well.
13 Chairman Harrington stated final deliberations would take place at the meeting scheduled for January
14 29th. All department heads will be present to answer any questions.

15
16 **Adjourn**

17
18 **MOTION made by Councilor Boyd and seconded by Councilor Thornton to adjourn the**
19 **meeting. MOTION CARRIED 7-0-0**

20
21 *The January 22, 2018 meeting of the Town Council was adjourned at 8:41 p.m.*

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23
24
25 Submitted by Dawn MacMillan