

Approved: February 12, 2015

Posted: February 13, 2015



Town Council Meeting Minutes

Thursday January 12, 2015, 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 Mahon, Councilor Boyd, Councilor Dwyer, Councilor Koenig, Councilor Woods, Town Manager Eileen Cabanel, and Assistant Town Manager/Finance Director Paul Micali. Councilor Rothhaus was excused.

Pledge of Allegiance

Chairman Harrington led in the Pledge of Allegiance.

Announcements

On behalf of the Town Council, Chairman Harrington offered condolences to the family and friends of Daniel Bittel, Sr. who passed away on Thursday, January 8, 2015 at the age of 74. Mr. Bittel was actively involved in the community; notably serving as a member of the Merrimack Village District Board of Commissioners, the Rotary Club of Merrimack as well as on the Board of Directors of the John O'Leary Adult Community Center. He was instrumental in the planning and preparation of the Town of Merrimack's 4th of July celebration for many years. He will be greatly missed.

A moment of silence was observed in memory of Daniel Bittel, Sr.

Budget meetings will be held on Thursday, January 15th and Monday, January 19th at 6:00 p.m. in the Matthew Thornton Room. A regular meeting of the Town Council will be held on Thursday January 22nd at 7:00 .m. in the Matthew Thornton Room.

Public Comment - None

Review of Proposed FY16 Budget

Town Manager Cabanel remarked as a general theme throughout the proposed budget; health insurance has decreased due to employees, with the exception of one union, changing to a plan with lesser benefits and contributing 10%. Retirement costs are increasing. All categories of employees have increased. As an example, for the Police Department the employer contribution/Town's share is 25.30% and for the Fire Department 29.16%. Electricity and natural gas costs have increased. Costs associated with Worker's Compensation have decreased.

Welfare

Town Manager Cabanel remarked the budget, as a whole, has increased \$117. Wages have decreased due to a change in hours so that the Administrator's hours align with regulations of the Affordable Care Act, which determines the difference between a full-time and part-time employee. Line Item #01-25-8399-0 - Social & Health Services has decreased by \$1,300 and Line Item #01-25-8481-0 - Housing (rent and mortgage payments) has increased by \$2,000.

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Patricia A. Murphy, Administrator, stated agreement with the summation provided, and noted the increase in the housing line was the result of over-expenditure in the prior fiscal year.

Vice Chairman Mahon noted two heating assistance lines, each having a separate number, and questioned the meaning of the designations. Director Micali responded the account is that of donated heating/electricity and assistance. The last four numbers are the designation. The 4441 designation is the State code for public welfare and the 000 the designation for donations. As the monies are being budgeted through the budget code 4441 is used.

Public Works Administration

Town Manager Cabanel remarked no salary increases are intended with the exception of step increases. Part-time wages are associated with interns the Town is fortunate enough to have in the summer months. Health insurance decreased as did Worker's Compensation. The department's proposed budget represents a decrease of \$54.00.

Rick Seymour, Director, Public Works Department (PWD) commented he typically provides a highlight before each of the divisions is discussed; however, there is nothing more to highlight beyond what has already been stated.

Councilor Boyd commented on the significant increase, over the past few years, to Line Item #01-07-8260-0 - Telephone. Director Seymour stated the department has transitioned to Smart phones over the past few years. The cost is roughly \$85/month versus the previous \$40/month. Director Micali noted the Smart phones provide unlimited data, texting etc., which provides the ability for users to call up plans, etc. while in the field. When asked who within the department is assigned Smart phones, Director Micali stated, within the administration, they have been provided to the Director and Deputy Director.

Highway

Chairman Harrington commented the proposed budget is very good. There is very little change, and the changes that have occurred have been known to the Council.

Councilor Dwyer remarked, for the benefit of the general public, it is important to understand the Council is provided with the budget information in advance of the meeting, and each Councilor has the opportunity to review the material. In the absence of questions at this point in time, it should be known the proposed budget does not represent much in the way of change, and any areas where an individual Councilor may have wished for additional clarification, the opportunity existed to contact the Town Manager and/or department heads to inquire.

Town Manager Cabanel remarked early on in the process she requested direction from the Council as to what the Council wished to see with regard to the budget. The department heads were tasked with preparing a budget that addresses the needs. Once prepared, the budget is reviewed by her with the department heads and any cuts she believes to be warranted are made. Department heads are informed if an area cut by the Town Manager is one which is believed necessary, the department head should lobby to have the cost reinstated.

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Town Manager Cabanel noted Line Item #01-08-8104-0 - Wages - Other Full-Time, decreased as a result of a retirement and the position being filled at a lower salary. Line Items #01-08-8105-0 - Overtime - Supervisory and 01-08-8111-0 - Overtime - Other, have increased to be more in line with actual expenditures.

Another area where the budgeted amount was increased to be more in line with actual expenditures is Line Item #01-08-8341-0 - Sand & Salt. Line Item #01-08-8505-0 - Infrastructure/Paving, has increased by \$10,000. Line Item #01-08-8510-0 - Capital Reserve Fund deposits have increased \$210,000, and #01-08-8910-0 - Capital Reserve Fund Purchases, has decreased \$978,000. It is those unusual items such as capital reserve fund deposits in and out, which result in a skewed version of what really occurs. The Highway budget increased by \$29,246 or 1.19%.

Director Seymour noted the Bean Road bridge replacement (\$1.6 million) appears in the capital section of the budget for Highway Department as does the D.W. Highway paving from Hillsferry Road to Chamberlain Bridge. Other Capital Reserve Fund purchases include a six-wheel dump truck and a front end loader.

Councilor Koenig remarked it appears, over the past 6-7 years, \$90,000± has been budgeted for streetlights (Line Item #01-08-8361-0 - Street Lights), and proposed for FY16 is \$110,625. The response provided was the primary difference is the electricity rate. Councilor Koenig remarked the rate has been steady for the past 3-4 years, and the Council went through the effort to determine if the number of streetlights could be reduced, etc. He questioned whether the only difference is related to the rate. Kyle Fox, Deputy Director, PWD, remarked there were some changes where the department converted from mercury vapor to high-pressure sodium on the Front Street/Center Street area a few years back. The amount of consumption is slightly less; however, that has been largely offset by the increase in electricity cost.

Director Micali remarked PSNH is getting caught in what is known, in the electrical industry, as the gambler's routine. The Town of Merrimack has a third party provider for electricity. In the winter time, they cannot match the rate that PSNH provides, e.g., winter rate might be 15 cents per kilowatt and PSNH may have you locked in at 9.5 cents, which means they are losing 6 cents per kilowatt. Companies will drop off their contract, such as what the Town does, and jump on PSNH for a lower rate for the months of January, February, and March and then jump off of PSNH and go back to their provider who can provide it at 7 or 8 cents. PSNH is getting wise to this and stopping it from occurring.

Deputy Director Fox remarked he and Director Seymour met with a representative a few months back regarding LED streetlights to determine where the industry is with that. Manchester is going through some issues where they don't believe PSNH's rate for maintenance cost is correct; they believe PSNH is trying to jack the maintenance so it doesn't appear to be as favorable to convert over when it fact they believe it is. Once that rate is set, other towns will likely start to convert. When asked if the PUC regulates the rate, Deputy Director Fox stated there was an established rate, and Manchester had designs on converting quite a number over and was not happy with the rate. He stated his belief that resulted in Manchester taking them to court.

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Vice Chairman Mahon spoke of the increase in the capital reserve fund, and questioned what is anticipated to be needed that necessitates a \$210,000 increase. Director Micali stated the increase is to cover the Town's 20% share of the cost of bridges; Bean Road, Bedford Road, and Route 3.

Deputy Director stated \$10,000 of those dollars is for Opticom traffic light preemptions. Monies were expended two years prior and most of the Town was gone through. However, there remain some areas, particularly on the State intersections, where they are not interested in putting the Opticom in, but will allow the Town to purchase the gear if so desired.

Councilor Woods questioned Line Item #s01-08-8371-0 - Maintenance - Grounds (MYA) and 01-08-8322-0 - Maintenance - Grounds (under Highway); specifically what grounds are being maintained. Deputy Director Fox stated 8322 includes any Town parks or ball fields that aren't used by the Merrimack Youth Association (MYA).

Councilor Woods stated his appreciation of the efforts the Town has made with the Merrimack Village District (MVD) with regard to salt reduction. He commented the department's request is a slight increase. Deputy Director Fox remarked the department has approached this a few different ways. The requested appropriation is close to actual mid 3 average of the past 5 years, and includes sand as well. The department has started instituting the Sodium Chloride Brine, which puts less salt on the roads.

Chairman Harrington questioned who has the responsibility to address trees overhanging roads, e.g., private property owner, Town, etc. Deputy Director Fox stated it is case dependent. If there is imminent danger of a tree falling on the road there is shared responsibility between those in charge of maintaining the roads and the homeowner. Town Manager Cabanel remarked for the most part any tree cutting will be the result of PSNH.

Chairman Harrington spoke of the decrease to Line Item #01-08-8333-0 - Maintenance-Vehicles. It was noted the department had over-expended in FY14.

Solid Waste Disposal

Town Manager Cabanel stated the increases in Line Item #s01-09-8105-0 - Overtime-Supervisory, 01-08-8107-0 Wages - Part-Time, and 01-09-8111-0 - Overtime - Other are based on actual expenses. Director Micali remarked when the Solid Waste Department calls for overtime on a Saturday, they will go to the Highway Department to see if anyone in that department wishes to work at the transfer station, recycling building, etc. The issue that arises is those employees have already reached their 40 hour workweek on Friday. Anyone who comes in to provide coverage on Saturday does so on overtime.

Retirement costs have increased. Health insurance costs have decreased.

Line Item #01-09-8241-0 - Electricity has increased. Line Item #01-09-8250-0 - Vehicle Fuel has decreased. Director Micali remarked as is being seen at the pumps, the price of gasoline is coming down.

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Line Item #01-09-8333-0 - Maintenance-Vehicles & Equipment has decreased. The decrease is related to attempts to increase the useful life of trailers. Director Micali stated the trailers are within the Capital Improvements Plan (CIP) for replacement. It was found if replacing some of the sidewalls with steel plating an additional 5-7 years of useful life can be gained.

One of the largest changes to the proposed budget is an increase in Line Item #01-09-8355-0 - Solid Waste Disposal. The increase is based on two factors; tipping fees are increasing \$1/ton per contract and the Town is now paying for recyclable materials whereas in years past it was revenue generating.

The proposed increase to Line Item #01-09-8359-0 - Other Outside Services, is related to monitoring of the closed landfill.

Another large increase (\$11,300) is identified under Line Item #01-09-8388-0 - Special Waste Disposal, and relates to the increase in the number of electronics coming into the transfer station. An increase in revenues can also be seen matching that amount.

The increase in Line Item #01-09-8910-0 - Capital Reserve Fund Purchases, is related to the purchase of a truck to replace a 1990 GMC.

Director Seymour remarked with regard to electronics, the last time the department looked at a full year there were \$33,000 in expenses for materials shipped out. Only \$22,000 was collected in fees. There is a desire to increase the fees for television disposal from \$10/set to \$15/set. That would close the gap.

Director Seymour noted the department has been seeking ways to increase the amount of recyclable materials shipped out of the facility. Every year the amount of recyclables goes up (about 1,475/tons per year). Despite their efforts there seems to be a lack of direction. It is believed having an attendant on site would be an opportunity to watch loads as they are being unloaded and direct residents, when appropriate, to the recycle building. There is an expense associated with the addition of such a position. It was determined to be reasonable that with an attendant onsite 25-28 hours/week, an increase in recyclables could be seen in the range of 200/tons/year. When considering what that equates to in tipping fees (\$13,000), the decision was made to include the position with a salary of \$13,728.

Steve Doumas, Solid Waste Foreman, stated the attendant would also be tasked with checking on items for which fees are charged. That individual could also be cross-trained to provide coverage for absences during the week. The request was to pilot the position to determine if the savings are sufficient to cover the salary cost.

Councilor Dwyer stated his agreement and stated he would be supportive of the addition if signs are put up. He stated the desire for large, visible signage to help educate residents (on the fencing leaving the area). Mr. Doumas stated additional signs would be put up.

Councilor Boyd remarked a joint meeting was conducted with the School Board several months ago during which he volunteered Ian's name as someone to work as a Liaison between the schools and educating students on the recycling program versus what is being discussed at the recycling center. He questioned if there has been any outreach with the School District in regards to trying to get something

started to utilize a gentleman he believes to be very talented in the area of recycling. Town Manager Cabanel responded when the recycling campaign was in gear discussions occurred around possible ways to increase recycling. One of the most important things on the list was to reach out to the schools to see if students could encourage their parents to recycle. A representative of Northeast Resource Recovery Association was charged with meeting with Superintendent Chiafery and her staff to discuss programs available at no cost and for a nominal fee. Town Manager Cabanel stated she is unaware of whether or not that was followed up on.

Town Manager Cabanel remarked although she had removed the \$13,000 figure from the budget, she also increased Line Item #01-09-8355-0 – Solid Waste Disposal, by \$13,000. If the will of the Council to include the \$13,000 for the attendant position, that same dollar amount could also be removed from the solid waste disposal line item with the assumption costs would decrease.

Councilor Woods stated his agreement with much of what was stated, and commented on his personal experiences at the transfer station. He stated his belief the attendant position is something worth trying. Councilor Boyd questioned whether monitoring the swap shop would be included in the responsibilities of the attendant. The response was that would be part of the rounds.

Councilor Koenig questioned whether the overtime budget would be impacted by having the attendant cross-trained to fill in when needed. Mr. Doumas stated the intent would be for the attendant to fill in during the normal work week. When short staffed during the normal work week the Highway Department has not always been able to provide coverage. This individual could also assist with ground maintenance, e.g., blown trash, etc.

Mr. Doumas remarked if the effort is not successful, they would be back before the Council next year, at which time the Council could say it didn't work, it's gone.

Councilor Dwyer questioned whether the swap shop continues to be successful. Mr. Doumas responded it is busy. When asked, he stated just about every day they go through there and find items that don't belong. The intent was to remove items from the recycling building, and in that respect it has been a tremendous success. He added traffic is flowing through the recycling building better than it ever has.

Councilor Boyd stated agreement with the comments particularly with regard to the swap shop. He commented he originally had doubts about the traffic in the swap shop area; however, it flows very well.

Councilor Koenig asked for clarification the Town is experiencing a cost to dispose of recyclables. Mr. Doumas stated the cost to be \$5/ton. Councilor Koenig remarked that represents a savings of \$61/ton based on what it would cost if the items were thrown in the transfer station. He questioned what it costs to collect, sort, and deliver those recyclables, e.g., is the \$5/ton cost inclusive of that? Mr. Doumas stated there is additional cost associated with wages, electricity for compactor, etc. The \$5/ton is the tipping fee. Town Manager Cabanel added the \$5/ton is the tipping fee, and covers the cost for the vendor to remove the material.

Director Seymour spoke of the new large compactor. Mr. Doumas stated the vendor, E.L. Harvey & Sons, brought onsite four, 45 yard closed-top containers to be used in the operation. Trucking costs are included in the \$5/ton.

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Councilor Koenig questioned the cost, per ton, of running the recycle center. Town Manager Cabanel stated the information was not readily available, but could be provided. Director Micali noted outside vendors bringing in recyclables are charged the \$5/ton fee.

When asked, Mr. Doumas stated it is likely the attendant would be required to work an 8-hour day on Tuesday and Saturday with the remaining hours divided throughout the remainder of the week.

Councilor Boyd questioned whether the Town continues to receive good value for the fee for the regional solid waste district. Director Seymour remarked it is a cost. It is tens of thousands of pounds of material that would otherwise go to the wastewater waste stream or the solid waste waste stream. He suggested, given the size of the town and the number of people who participate in the hazardous solid waste collection, Merrimack is likely one of the highest in terms of percentage of involvement. He remarked the fee is \$10/load and participants can bring up to 50 pounds per load, etc.

Councilor Dwyer stated Director Seymour and Mr. Doumas run one of the best departments in Town. He expressed his gratitude.

Equipment Maintenance

Town Manager Cabanel noted a decrease in Line Item #01-16-8104-0 - Wages - Other Full-Time, which relates to a long-time employee leaving and the intent the position will be filled at a lesser salary. Health insurance costs decreased. Worker Compensation costs decreased. Total department budget represents a decrease of \$11,539.

Vice Chairman Mahon questioned whether the reduction in workers compensation is related to the modification factor or the classification amounts. Director Micali stated it to be a combination of both. He noted classification costs have decreased, and the modification rate for FY15 was 66% where for FY16, because of program with joint loss and the wastewater department having 5 years' worth of no loss time, the rate is now 59%.

It was noted the reduction is due to the safety record in Town, which is the result of a great deal of effort by department employees. Director Micali remarked this is the lowest the rate has been in his ten years with the Town. Director Seymour noted the Highway Department has two years of no loss time, which is phenomenal.

Councilor Woods requested clarification on the change in operations relative to smart vehicles. He commented he sees it as a difficulty for anyone trying to maintain the size and variety of the fleet. Adam Jacobs, Operations Manager, remarked there are some difficulties particularly with some of the new emission standards the EPA has placed upon the manufacturer. Some of the systems are becoming pretty complicated. There are certain portions that can be worked on in-house and others that have to be sent to the manufacturer. There are computer systems in some of the equipment, e.g., fire equipment, plow trucks, etc. The work the department continues to farm out is mainly the larger scale items, e.g., bucket loader requiring a new set of rims, which requires a lift large enough to get the equipment up in the air, a fire truck needing equipment weight testing, etc.

Councilor Woods questioned whether police cruisers are more at risk than other vehicles with regard to the ability to maintain in-house. Mr. Jacobs responded he has not seen a large uptick, likely because of

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the replacement cycle the Town is on with cruisers. More miles and hours are being placed on the vehicles than time, which is what would impact the computer system. We are staying ahead of those types of issues with the replacement cycle.

Buildings and Grounds

Town Manager Cabanel stated the costs for health insurance, worker's compensation, and unemployment have decreased. The largest increase is a \$10,000 increase to Line Item #01-17-8332-0 - Maintenance-Vehicles, which is related to the proposed dump body for the existing truck in lieu of purchasing a new piece of equipment. The overall budget increase for the department is around \$8,300.

Director Seymour commented on Line Item #01-17-8502-0 - Buildings, noting the department is looking at the purchase of a grinder pump for the Police Department. There are currently 2 in place, one of which has been replaced. Also under that line item are costs for carpeting and lawn irrigation at the Police Department.

Councilor Boyd commented anyone coming through the center of Town from April through November can appreciate how beautiful the Town Hall looks. He expressed his gratitude to Phil Machino and the department for the care taken in this regard.

Councilor Woods questioned Line Item #01-17-8321-0 - Maintenance-Buildings; specifically the \$15,500 identified as janitorial supplies, electrical and plumbing supplies, ice melt and hand tools. Director Seymour noted the line item also includes all janitorial supplies for the Town Hall facility (both buildings). The line item is typically used throughout the year for other items that may fall under maintenance of buildings. He suggested, if anything, that line item is probably under budgeted. He added since doing janitorial services through part-time staff, they have been able to reduce the amount of janitorial supplies needed overall.

Councilor Koenig questioned the use of ice melt. Director Seymour stated it is used on the sidewalks and perhaps in front of sidewalks leading to a parking lot. The department purchases an environmentally friendly material. When asked, he stated the department has shopped the material and receives a fairly favorable price. Councilor Koenig questioned whether use is necessitated as a result of drainage problems, e.g., water running across sidewalks. Director Seymour stated it is just to keep water from freezing and for pedestrian safety. Councilor Koenig stated his hope the Town is making as much of an effort as possible to reduce salt use, noting applicants coming before the Planning Board are instructed to minimize salt use, and he is hopeful the Town takes appropriate steps in that regard.

Councilor Koenig noted there have been drainage problems in the past with water coming from rooflines, and questioned whether those issues have been addressed. Director Seymour stated his belief those have been addressed. He remarked there remain icing issues when there are wet areas from rain storms, etc.

Wastewater Treatment Fund

Town Manager Cabanel noted the proposed \$11,000 decreases to Line Item #31-10-8104-0 - Wages - Other Full-Time, which is related to a long-time employee leaving and being replaced at a lesser

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salary. The same is true for Line Item #31-10-8107-0 - Wages - Part-Time. Costs associated with Social Security have decreased as a result of the change in salary. Retirement costs have increased. Health insurance costs have decreased.

Line Item #31-10-8142-0 - Compensated Absences, decreased by \$22,000. Town Manager Cabanel explained monies are set aside to cover costs associated with retirement.

Line Item #31-10-8244-0 Water has increased. James Taylor, Assistant Director/Wastewater explained some of the increase is related to an increase in water rates. It is also due to the compost facility upgrade. The Fire Department required a second fire hydrant in the area. That increased the amount of testing and resulted in a charge for having a second hydrant.

Director Seymour noted the proposed purchase of a F-250 4x4 pickup with plow (replace 2005 F-250) identified under Line Item #31-10-8910-0 - Capital Reserve Fund Purchases as well as costs associated with manhole/sewer line repair (AB flume and coating) and a Bobcat Toolcat for cross-country sewer maintenance.

Based on the sewer financial model in place, a sewer user rate increase of 8% is proposed. A rate increase has not occurred in the past two years.

Assistant Director Taylor commented the facility will be 45 years old this coming May. Upgrades are taking place, but as time goes on, equipment wears out. He spoke of the replacement of a flow measuring device at Anheuser-Busch, coatings for corroded concrete, a sewer pipe from the Anheuser-Busch facility that connects to the main interceptor, which requires coating, etc. He spoke of the cost of the utility vehicle noting the department is currently in the second year of the sewer easement clearing project. EPA requires all sewers in Town be maintained. That utility vehicle will enable the department to maintain those cross country lines, inspect the manholes with the sewer cameras, and get out 2-3 times a year to ensure those sewer easements are maintained properly.

Councilor Koenig questioned the life expectancy of the Bobcat, and was informed it is likely the Town could get 15 years out of the equipment. The cost includes a bucket and a mower that allows for numerous attachments. There is also a bed in the back that would allow the user to transport camera equipment. He spoke of the ability to utilize the bucket attachment noting if there are sinkholes around a manhole, material could be brought onsite and the issue addressed. The cost includes a trailer for transportation (although the equipment is street legal).

When asked about the 4 x 4 pickup, Assistant Director Taylor stated it is replacing a 2005 vehicle. That vehicle is still running, but essentially is rusted. He stated his opinion a ten-year cycle on these types of vehicles is reasonable.

Councilor Koenig questioned the increase in Line Item #31-10-8510-0 - Transfer To Other Funds, and was informed the increase is related to the capital needs identified such as the pickup trucks, Bobcats, etc. There are also 3 Cat loaders and several other pieces of equipment approaching end of life. When asked, Assistant Director Taylor stated there used to be a buy-back on those pieces of equipment, which is no longer in place. It wasn't cost effective to maintain; however, since the Town owned the vehicles they were retained. Councilor Koenig noted monies are placed in a capital reserve account to cover the cost of replacement.

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Town Manager Cabanel noted the fund is depleting fairly quickly, which is one of the reasons for adding monies. Assistant Director Taylor remarked the goal is always to maintain a \$2 million fund balance, which includes the capital reserve fund plus the unreserved fund balance, which provides money for cash flow as well as emergencies. He remarked if the main generator were lost the cost could easily run \$250,000. When the rate study was approved in 2009 the \$2 million was the identified target number. The proposed increase is part of the rate study (planned).

Councilor Dwyer remarked it was stated the facility is approaching 45 years of age, and questioned what is perceived as the biggest challenge in the next 3-5 years. Assistant Director Taylor responded the department has taken a phased approach to improvements; in 2007 part of the facility was upgraded in what was referred to as Phase I. Phase II was approved at Town meeting in 2012, is underway, and should be completed by October. Five years down the road will be Phase III, which will finish a complete overhaul of the treatment plant. Currently pumps and equipment are being run that are essentially 45 years old. They have been maintained over time, but are less efficient. Flows have changed quite dramatically, e.g., Anheuser-Busch reduced their flows. Two ten-year loans will retire in 2020. When that expense is dropped the next phase would begin. It helps stabilize the sewer rate to retire loans before taking on new debt.

When asked, he stated a comprehensive plant evaluation was conducted in 2010, which laid out a road map to be followed. That is what the State requires when using State Revolving Funds.

Parks and Recreation

Town Manager Cabanel stated the total proposed budget for the Parks and Recreation Department represents a decrease of \$1,782. The majority is associated with a decrease in health insurance costs.

Director Micali stated the MYA building was converted to natural gas 2-3 years ago. Having a few years of historical data at hand, the department is able to budget based on actual usage. The same is the case for Line Item #01-13-8241-0 - Electricity.

Matthew Casparius, Director, Parks & Recreation, remarked he started with the idea of zero based budgeting and identifying what is necessary to provide the current services. What he discovered was in some instances the department was over-budgeting, e.g., salary line items not actual. Adjustments are recommended for Line Item #01-13-8107-0 0 - Wages - Part-Time. The tennis program has taken off resulting in a proposal to expand the program. The largest change was restoring weekend lifeguard coverage at Wasserman Park. Director Casparius spoke of visiting the park on half the weekends in the summer months and witnessing a few hundred people utilizing the park at any given time; half of which were in the beach area.

The proposal is for three lifeguards, one of which would manage the other two. That is the minimum that would be needed for coverage. The positions would be for 9 weeks (weekends) during the summer months.

Adjustments in the other columns were simply putting in what is needed for existing levels of services. The net result is an approximate \$1,600 increase in wages in order to have weekend lifeguard coverage.

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Councilor Dwyer questioned why lifeguard positions were removed from the budget several years back. Vice Chairman Mahon commented it is likely the reasoning was two-fold; expense and ability to identify qualified candidates for the position. Director Micali remarked a lot of the weekend coverage was done on overtime. Back then the lifeguards worked the full 16 weekends.

Director Casparius stated his goal would be to hire specific staff for weekends as a means of avoiding overtime costs. When asked, he stated his belief he would be able to fill the positions.

Director Casparius stated his proposed budget does not include the addition of new programs. Work on the revolving fund is underway. He is currently working on a policy to present to the Town Manager and Assistant Town Manager/Finance Director.

Councilor Woods questioned whether any existing programs have been cut, and was informed they have not. The reduction seen in Line Item #01-13-8374-0 - Recreation Programs, is due to budgeting more closely to historical numbers.

Director Casparius spoke of the addition of two line items; #01-13-8504-0 - Office Equipment, which is intended to cover the purchase cost of recreation registration software. The software will eventually allow for on-line registration, the ability to take credit cards, etc. The second, Line Item #01-13-8505-0 - Infrastructure, to address issues such as repairs to Veterans Park boat ramp. Councilor Dwyer commented someone placed large rocks in the area, which has created a hazard. He stated his hope that is addressed as soon as the snow melts.

Director Casparius spoke of having conversations with the PWD, Conservation Commission, and the Naticook Lake Association regarding a better way to solve the issue on a more permanent basis. Being proposed is a pre-cast concrete boat ramp that would extend from the crest of the hill down into the water. It would make the ramp much easier to use and navigate while solving the erosion issue. Monies allocated to this line item would be utilized to purchase the ramps and cover labor costs of Public Works Department personnel.

The Lake Association was looking at putting in a dry well off to the side to help with some of the runoff. That continues to be discussed; however, the ramp would be a permanent solution.

Councilor Dwyer remarked the concrete boat ramp would last for decades. He stated his support of the purchase.

Councilor Boyd noted the overtime reduction of \$680 and the addition of lifeguards on weekends, which should eliminate the need for overtime. Director Casparius noted the only time overtime was utilized in FY15 was for the 4th of July celebration.

Councilor Boyd questioned whether the budget includes the ability to have the skateboard park open on holidays. Director Casparius responded this past year coverage was not provided for Memorial Day or 4th of July although there was coverage for Labor Day. Two years prior on the 4th of July the department struggled to provide coverage, and only 2 children utilized the park. Councilor Boyd commented holidays are a good time for children to be able to partake in outdoor activities. He commented he would not want to have a resource available to kids that is not made available.

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Councilor Dwyer commented there could be a policy that allows the park to open without an attendant. Councilor Boyd stated he could support that. Councilor Dwyer added he has always been a supporter of having an attendant at the park; however, having an attendant there 80% of the time is acceptable. Chairman Harrington stated the desire to discuss the pros and cons of such an action, e.g., liability, maintenance, etc. Director Casparius stated there are 37 municipally owned skate parks in New Hampshire, and only 2, including Merrimack, that staff the park. The other is the Town of Meredith, and they only staff it on weekends. Some have experienced minor acts of vandalism.

Summer Day Camp

Director Casparius remarked a review was conducted of actual expenditures. The proposed budget represents a slight decrease from FY15; however, is a realistic number. It was noted day camp numbers fluctuate from year to year. Director Micali noted enrollment numbers are down from prior years. Director Casparius remarked the department has considered a \$10 increase for the cost of enrollment to ensure the program is self-supporting.

Chairman Harrington questioned the cost of attendance, and was informed a one-week session costs \$185-\$195 for a resident and \$237-\$247 for a non-resident. That price includes lunch and swimming lessons.

**MOTION made by Councilor Boyd and seconded by Councilor Woods to adjourn the meeting.
MOTION CARRIED 6-0-0**

The January 12, 2015 meeting of the Town Council was adjourned at 7:52 p.m.

Submitted by Dawn MacMillan