

It was noted by Director Holton that a review of the electricity budget showed misapplied payments in previous years within MVD's account at Eversource. All MVD payments were applied to MVD accounts, but not the correct accounts. Changes have been made to correct this moving forward, allowing for easier year to year comparison.

Director Holton informed the commission that account 60400, Heating Fuel, is slightly over budget and will be reviewed. A general utilities overview will also be performed.

Director Holton made note that account 70250 (R & M Entrances) is under by \$12,000, including a \$7,500 deductible for in-town projects, of which there are none planned through the end of the year. A review of accounts 70525 (R & M Office Equipment), 80000 (Office Supplies), and 70010 (Office Equipment), determined the need for a few reclasses as some suppliers had not broken out their services, along with some equipment that was included. Additional detail allowed for the appropriate allocation.

It was previously noted that account 80300, Meeting Expenses, was higher than projected due in part to an unexpected expansion of meetings. Upon further review, there are a few line items related to travel for industry meetings that will be reallocated to 80350, Travel Expense.

Director Holton informed the commission that account 81950, Professional Fees – Accounting, is a timing issue and is in line with the budget. The Audit was \$10,000 and \$2,950 was an actuarial report related to the retirement system and was a required piece.

Director Holton reiterated to the commission that the Legal budget (account 81951) is slightly over the projections. She also noted that during the budget process, the direction of legal fees was unknown. Director Holton noted that although there are not actual budget transfers, there are offsets.

Commissioner K. Ayers questioned how MVD will be involved with the Bedford Bridge Expansion. Superintendent R. Miner answered that the Town of Merrimack has set up a dollar amount, of which MVD will be responsible for covering. This covers new, upgraded equipment being replaced as the water line is being moved.

In previous year comparison of Profit & Loss, Director Holton informed the Commission that the total income overall is slightly over that of last year, with a difference of 3.3%. Net Ordinary Income is \$136,000 above that of this time last year.

B. Bank Account Summary Review

Director Holton informed the commission that more information is needed on how MVD will be handling the filtration for all projects, what the cash flow needs are going to be, along with a couple of other projects. Additionally, Director Holton will look to move some of the funds that are not needed for day to day cash flow. The options being to put money into the New Hampshire Public Deposit Pool (NHPDIP) or TD Bank has outlined different scenarios to allow for higher interest rates on all of MVD's funds. A proposal will be put together and presented for review.

C. Encumbered Funds Review

Director Holton referred to a spreadsheet that outlines which POs had either a signed agreement or the order had been placed and the service project was not completed, or items were not received by the end of the year as anticipated. Director Holton informed the commission that it is allowed, under the RSA referenced in the packet, to bring these funds forward to cover those costs in the current year. With approval, we can move the expense from this year, to being paid for by prior year budget funds, which will increase the bottom line for the current year.

Orders had been drawn up for approval. Approval granted.

REGULAR SESSION

1. Board of Commissioners to hear updates from Keith Pratt and Mike Metcalf of Underwood Engineers, Inc regarding:

a. Wells 4 & 5 Status Report

1. Bidding schedule

M. Metcalf of Underwood Engineers, Inc. informed the commission that wells 4 & 5 are ready to go to bid. He noted the need to work through the environmental review. Part of the Environmental Review from the Drinking Water and Groundwater Trust Fund came back with the requirement of a Phase 1, an archeological assessment. Metcalf noted that an archeologist did a review, provided a report, and noted that there was nothing of concern. After review, this will be sent to MVD with a Finding of No Significant Impact (FONSI). MVD will then need to advertise in the newspaper with a 30-day comment period. Metcalf reiterated to the commission that this can go to bid but cannot be awarded until after the 30-day period. Underwood Engineers, Inc. has a pre-bid meeting currently scheduled for June 11, 2019. Bids would open on June 21, 2019. A 30-day bid period is typical. Metcalf noted that some loose ends were being finalized.

2. Construction phase and engineering contract

At this time, Metcalf referenced the construction services contract. It was noted that the Scope of Work starts at Task 5 (as a continuation of Underwood's task numbering). Task 5 is Construction Administration Services. Scope of Services is fairly standard and involves preparing the Notice of Award, Notice to Proceed, Pre-Construction conference, and Construction Phase. Construction Phase Services include reviewing shop drawings, attending progress meetings, general contract administration, payment requests, change orders, clarifications, special inspections, site visits, etc.

Metcalf reviewed Task 6, Construction Observation, for the commissioners. A Resident Project Representative (RPR) will be provided and approved by MVD. A total of 2,232 hours is budgeted for a senior RPR based on the estimated completion time for construction. This is based on 45 hours per week for 48 weeks from start to Substantial Completion. During the time from Substantial Completion to Final Completion, the RPR is budgeted at 12 hours per week for 6 weeks.

Task 7, Startup Services, was noted by Metcalf to include attendance and coordination of initial startup and training by contractor and equipment manufacturers, on-site startup assistance and coordination, provided assistance and part-time resident observation during one-year warranty period, as well as one-year warranty walk-through.

Metcalf informed the commissioners that at Substantial Completion, Underwood hold's 2% retainage, which is held for one year. K. Pratt of Underwood Engineers, Inc. informed the commission that MVD is bonded, and insurance is in place, but that the 2% creates a little more leverage for the contractor to come back to finish up odds and ends.

Metcalf noted that Task 8, Operation and Maintenance Manual, is in place to ensure that someone who was not part of the project could come in afterwards and be able to run and troubleshoot the system. Task 9 notes that record drawings will be prepared as a record of how the system was built. Task 10, Testing and QA/QC is allowed to cover water quality and quality control when requested by the district, such as additional PFAS or additional contaminant testing.

In review of the budget cost, it was noted by Metcalf that it is very comparable, within several thousand dollars, to the plan for wells 7 & 8. Chairman D. Provencher asked how this Engineering Services Request (ESR) value compares to the cost estimate for wells 4 & 5. K. Pratt answered that his budget shows that there was \$500,000 budgeted for construction services and \$20,000 for QA/QC and is on track with this budget cost of \$519,700.

Chairman D. Provencher questioned when groundbreaking is expected to be. K. Pratt answered that Underwood would need to be in front of the Board of Commissioners again to authorize a contract, which would most likely be July with the way meeting dates fall. To expedite groundbreaking, discussion of an additional meeting ensued.

Metcalf informed the board of the process once bids are placed. Bids are reviewed for mistakes and references and qualifications of the apparent low bidder are checked.

K. Pratt noted that work is expected to start this summer, and there is an expectation of one year to substantial completion. Substantial completion marks an important milestone as date of operation.

b. Wells 2 & 3 and 7 & 8 Treatment Plant projects

1. Funding Update

K. Pratt referenced an email he sent as well as a follow up letter, both dated May 16, 2019. The email was a summary of the meeting attended by the DES Trust Fund Bureau, DES Drinking Water Bureau, Superintendent R. Miner, Business Manager J. Lavoie, K. Pratt, and M. Metcalf. The purpose of the meeting was to discuss how to best fund applications for wells 2, 3, 7 & 8. Underwood proposed to them the same scenario discussed at the last BOC meeting (April 29, 2019), to submit a Groundwater Trust Fund loan application in the amount of \$6.5 M with the request for grant of \$1.5 M, totaling \$8M. The rest would be sought out via a loan application through the Drinking Water SRF Bureau, totaling \$14.5M. The group agreed that applying through "Special Projects" was best. Special Projects required to have some uniqueness. It was suggested that the grant amount be dropped from 10.3% to 10%. It was also suggested that MVD would not be given any principal forgiveness under the Drinking Water SRF program based on Median Household Income (MHI).

K. Pratt noted that some discussion revolved around whether MVD would want to submit separate applications, one for wells 7 & 8 and one for wells 2 & 3. Discussion revolved back around to submitting them together to show the whole picture. Contamination issues were also discussed at the meeting, and approval was given to leave that question blank on the application with an included explanation. In response to questions, K. Pratt noted that this can't simply be put entirely under the Drinking Water Fund because they do not have that much money. It was noted at the meeting that putting in some money from Capital Reserves (CR) would increase the likelihood of approval. K. Pratt informed the commission of an attempt to be placed on the June 10, 2019 Trust Fund meeting's agenda. It was noted that this should be a joint effort of someone from the BOC, Superintendent R. Miner, and someone from Underwood.

Chairman D. Provencher questioned what was needed from MVD at this time. K. Pratt answered that MVD's concurrence on the application as well as a decision on a CR contribution was needed.

**MOTION BY COMMISSIONER K. AYERS FOR \$285,500 TO BE APPLIED FROM CAPITAL RESERVE TOWARDS THE DRINKING WATER GROUNDWATER TRUST FUND APPLICATION
MOTION SECONDED BY COMMISSIONER T. PELLEGRINO
MOTION CARRIED 3-0-0**

K. Pratt questioned who from the BOC would be attending the aforementioned meeting on June 10, 2019. Chairman D. Provencher noted that he would attend the meeting.

2. Piloting and RSSCT Update

M. Metcalf informed the commission that the piloting of iron and manganese treatment at well 3 is scheduled for July 8 – 17, 2019. A trailer will be parked on site. Both power connections and water connections will be needed. Metcalf noted that the well will need to be operating at the normal rate, Superintendent R. Miner noted that it will be. Underwood will again be using Engineering Performance Systems (EPS), a lab in Florida, for the Rapid Small Scale Column Testing (RSSCT). Other options were explored but were not feasible due to either high cost or lack of available staff.

3. Preliminary Design Update

Metcalf informed the commission that site walks have been completed for wells 2 & 3. For a water main route between wells 2 & 3, there is a cross country route that involves a private property owner or the option to go along Continental Boulevard. Either way, the route to get from well 2 to old well 1 is the same. He noted that based on what was seen, plant location makes the most sense to be at well 3.

M. Metcalf noted that wells 7 & 8 need to have a building layout by the first week in June to abide by schedule.

THERE BEING NO OBJECTION, THE COMMISSION WENT OUT OF THEIR REGULAR ORDER OF BUSINESS AND THE AGENDA WAS AMENDED TO INCLUDE A PRESENTATION BY WENDY HEIGER-BERNAYS, PHD, BOSTON UNIVERSITY

Wendy Heiger-Bernays, PHD, Boston University, informed the commission that she is applying for a grant from the United States Center for Disease Control (CDC) to participate in a study. The study is called The Multi-Site Study of The Health Implications of Exposure to PFAS contaminated drinking water. There is an enrollment goal of 365 children and their parents in the greater Merrimack community. Doctor Heiger-Bernays noted that she was present to request support from the Merrimack Village District for information regarding keeping records, well histories, and distribution line information. This information is important because the second portion of work requires reconstruction of the exposures over time to the chemicals in the water.

Chairman D. Provencher noted that customer information is protected so this was run by legal, the legal opinion being that customer permission for data release would be needed. He questioned if Doctor Heiger-Bernays would be willing to provide a release to be signed by customers. Doctor Heiger-Bernays stated that she would be fine with that.

Doctor Heiger-Bernays noted that this is a national study and the feds will be picking 6 locations to do this work. They will be looking for communities where there is good characterization of PFAS in the water, where there is documentation of health outcome. It is important that both pieces exist because ultimately, they will be establishing a relationship between concentration of PFAS in the water and health outcome. This study will not be focused on Merrimack, but all 6 locations combined. Chairman Provencher noted that he would like a release saying that the customer is authorizing MVD to disseminate their water records. In addition, he noted that MVD's legal council believes it is best to have customer information pulled by MVD staff rather than the Boston University staff that was offered.

At this time, Business Manager J. Lavoie presented Doctor Heiger-Bernays with a letter stating the MVD would provide any publicly available data requested. The letter was reviewed and accepted by legal prior to signing by the Superintendent. Doctor Heiger-Bernays found this to be acceptable with her needs.

2. Board of Commissioners to consider the request of Kimberly Yarlott, Principal of Reeds Ferry Elementary School for the use of a fire hydrant and MVD water for their Fun Day activities on June 12th, 2019 with a thunder-date of June 13th, 2019.

MOTION BY COMMISSIONER K. AYERS TO GRANT THE REQUEST OF KIMBERLY YARLOTT, PRINCIPAL OF REEDS FERRY ELEMENTARY SCHOOL FOR THE USE OF A FIRE HYDRANT AND MVD WATER AT NO CHARGE FOR THEIR FUN DAY ACTIVITIES ON JUNE 12, 2019 WITH A THUNDER DATE OF JUNE 13, 2019
MOTION SECONDED BY COMMISSIONER D. PROVENCHER
MOTION CARRIED 3-0-0

3. Board of Commissioners to review minutes from April 29, 2019 Regular Session

MOTION BY COMMISSIONER T. PELLEGRINO TO TABLE THE MINUTES UNTIL THE NEXT BOARD OF COMMISSIONERS MEETING
MOTION SECONDED BY COMMISSIONER D. PROVENCHER
MOTION CARRIED 3-0-0

RECESS

The public session of the MVD Board of Commissioners was recessed at 7:00 pm to be reconvened after the Public Hearing at 2 Greens Pond Road, Merrimack, NH.

RECONVENE REGULAR SESSION

The commission reconvened at 7:10 pm.

4. Board of Commissioners to discuss next steps on the sodium and chloride reduction project.

Chairman D. Provencher noted that sodium and chloride have been increasing in the wells, particularly wells 3, 4 and/or 5. Multiple MVD wells show an upward trend in sodium and chloride. Chairman Provencher noted the importance of taking action and having a preemptive plan in place for winter. Superintendent R. Miner noted that proper ice melt methods are monitored by MVD and enforced by Community Development. Superintendent Miner noted discussion of creating an MVD bylaw allowing MVD to enforce proper practice. Commissioner D. Provencher noted that he would like to put forth an effort for the properties that are grandfathered in, regarding de-icing compounds. Superintendent R. Miner noted that this is not just a local issue, but rather statewide, and is on the radar of the New Hampshire Department of Transportation (NH DOT). The NH DOT is making attempts to reduce the use of salt, including pretreatment of the roads with a brine that allows for less salt use during a snowstorm.

Chairman D. Provencher noted the desire to work towards a letter to send to all grandfathered properties. Letter would show the sodium and chloride graphs of the wells and ask for cooperation in voluntarily switching to alternative deicing agents. Superintendent R. Miner informed the commission that MVD has the information regarding who does and does not have salt use restrictions. Chairman D. Provencher requested to possibly have this information available for the next meeting. Commissioner K. Ayers offered that the public may look for suggestions regarding acceptable alternative deicing compounds. Business Manager J. Lavoie noted that this presents a liability issue. Chairman D. Provencher suggested investigating a list of alternative deicing compounds possibly available from the New Hampshire Department of Environmental Services (NH DES). Superintendent R. Miner noted that some restrictions are for low salt use while others, more recent, allow for sand only.

AT THIS POINT IN TIME, THE BOARD PROCEEDED WITH THEIR REGULAR ORDER OF BUSINESS

OLD BUSINESS – Superintendent R. Miner provided an update on the leak detection grant from NH DES valued at \$9,625. Public notice of leak detection was posted on May 3, 2019. Superintendent Miner informed the commission that the procedure involves a specialist listening for leaks and that MVD would then be responsible for repairing discovered leaks. Leak detection is acoustical based. This grant will cover close to half of the system and will generally focus on older areas. MVD has an ongoing leak detection program as well.

NEW BUSINESS – Business Manager J. Lavoie referenced the 19% rate increase, as well as the Rate Increase Recommendation handout (available at MVD), and informed the commission that she and

Superintendent R. Miner will review the individual pages to be sure they fall in line with where they should be. This will be reviewed at the next BOC meeting. Business Manager Lavoie noted the importance of a town wide mailing regarding the rate increase. Mailing is expected to go out roughly the beginning of June.

Business Manager J. Lavoie noted that a late payment on a quarterly bill currently results in a \$5 penalty, shown on the subsequent bill. However, according to bylaws, the \$5 penalty should be charged each month the bill is late, resulting in a \$15 charge on the subsequent bill. Business Manager Lavoie suggested putting some language on the invoice regarding the rate increase as well as the bylaw enforcement of late charges.

Business Manager J. Lavoie informed the commission that the town wide read will take place July 1-3, 2019.

At this time, Chairman Provencher referenced State Representative Nancy Murphy's request of an earlier public comment section. This request would possibly allow for greater opportunity for public participation for those not available to stay the duration of the meeting. Additional methods were discussed, and conversation will ensue when all commissioners are present.

Chairman Provencher stated, based on prior comments/concerns from the public, that it may be helpful to find a way to share materials such as maps and graphs to those viewing the BOC meetings from home by scanning and uploading onto MVD's website, the BOC packet that is delivered to the Commissioners on the Friday afternoon preceding each Monday's monthly BOC meeting.

SUPERINTENDENT'S REPORT

Ron Miner, Superintendent, informed the Commission that the MVD office will be closed in observance of Memorial Day on Monday, May 27, 2019. Superintendent R. Miner will be out of the office on May 31, 2019 and June 3, 2019.

QUESTIONS FROM THE PUBLIC - None

QUESTIONS FROM THE PRESS – None

ADJOURNMENT

MOTION BY COMMISSIONER T. PELLEGRINO TO ADJOURN
MOTION SECONDED BY COMMISSIONER K. AYERS
MOTION CARRIED 3-0-0

The May 20, 2019 meeting of the Board of Commissioners was adjourned at 7:50 p.m.

Submitted by Amanda McKenna, Recording Secretary