

**MERRIMACK VILLAGE DISTRICT
BOARD OF COMMISSIONERS
DECEMBER 16, 2019
MEETING MINUTES
(approved January 27, 2020)**

A regular meeting of the Board of Commissioners was conducted on December 16, 2019 at 5:45 p.m. at 2 Greens Pond Road, Merrimack, NH.

Chairman, Donald Provencher presided:

Members of the Board present: Joseph Comer, Vice Chairman
Wolfram von Schoen
Kenneth Ayers

Members of the Board Absent: Anthony Pellegrino, Personnel Liaison

Also in Attendance: Jill Lavoie, Business Manager
Michele Holton, Finance/H.R. Director

NON-PUBLIC SESSION

**MOTION BY COMMISSIONER VON SCHOEN THAT THE COMMISSION GO INTO NON-PUBLIC SESSION PURSUANT TO RSA 91-A:3, II (a); RSA 91-A:3, II(d); and RSA 91-A:3, II(e)
MOTION SECONDED BY COMMISSIONER AYERS**

A Viva Voce was conducted, which resulted as follows:

Yea:	Donald Provencher, Joe Comer, Wolfram von Schoen, Kenneth Ayers,	
		4
Nay:		0

MOTION CARRIED

The Commission went into non-public session at 5:45 p.m.

The Commission came out of non-public session at 6:10 p.m.

SEALING OF MINUTES

Board of Commissioners Non-Public Sessions December 16,
2019

**MOTION BY COMMISSIONER W. VON SCHOEN TO SEAL THE MEETING MINUTES OF
THE DECEMBER 16, 2019 BOARD OF COMMISSIONERS MEETING NON-PUBLIC
SESSION
MOTION SECONDED BY COMMISSIONER J. COMER**

A Viva Voce was conducted, which resulted as follows:

Yea: Donald Provencher, Joe Comer, Kenneth Ayers, Wolfram von Schoen,

4

Nay:

0

MOTION CARRIED

FINANCIAL REVIEW – Michele Holton

A. Analysis of Revenue and Expenditures Report

Michele Holton, Finance/H.R. Director, informed the Commission that being through November, the budget is 42% complete. The total revenues are at 54.6%. It was noted that the System Development Charge (account 40600) has had significant payments so far this year, but even with removal of this account the revenue continues to come in at over 51%. The meter and hydrant charges (accounts 40400 and 40403 respectively) are higher than expected despite the rate change. This was investigated and it was determined that there were multi-unit properties that, historically, had not been set up correctly within the system. This has been corrected. Account 40100, Water Sales (Domestic), is higher in comparison to this time last year, and fluctuates with usage. Additional customers have been added, also making an impact.

At this time, Chairman D. Provencher asked about account 40412, Service Charge (Backflow). Director Holton noted that this is a timing issue and fluctuates throughout the year.

For expenses, Director Holton informed the commission that salaries are roughly in line with the budget. There was a structure change, including new secretarial services, which will be adjusted for in the upcoming budget for 2021. Administrative overtime is much more inline with the budget versus the previous year. This is in part due to timing and may finalize as slightly over budget. On Call Pay, account 50203, is slightly above budget due to a structure change.

Director Holton noted that the net income is roughly \$835,000, compared to last year at \$161,000. This is due in part to the rate change, as well as timing of some expenses. The overall expenses are down 9.5%.

Unrelated to budget, additional funds for the Saint Gobain Settlement Proceeds (account 40995) will be reflected in the next financial review but were not posted in time for December's report.

B. Bank Account Summary Review

Director Holton informed the commission that an escrow account has been added and funds are being kept there for future retainage payouts. Commissioner W. von Schoen asked if this was retainage for wells 4 & 5. Director Holton confirmed that it is. All other funds will currently stay at their current establishment until an Investment Policy revision.

REGULAR SESSION

1. Board of Commissioners to discuss to discuss Capital Projects with Underwood Engineers to include:

a) Turkey Hill Booster Progress

Keith Pratt, of Underwood Engineers, informed the commission that the Turkey Hill Booster Pump Station project was awarded to Penta Corporation. The contract signing is targeted for the beginning of January 2020. The shop drawing process and scheduling the work will follow.

b) Wells 4 & 5 treatment plant construction

Peter Pitsas informed the commission that site contractor's work is underway. Most of the onsite fill has been moved. Sewer work has started towards the front of the building and on December 17, 2019, the last slab for the filter room will be poured.

At the November 2019 Board of Commissioners meeting the commissioners requested that Underwood contact Penta Corporation about the possibility of using Barry Miller as a contractor under MVD rather than Penta in order to eliminate the markup. P. Pitsas informed the commission that Penta was agreeable to this.

At this time, Commissioner W. von Schoen asked who was responsible to be sure that the slabs were poured correctly, due to the difficult nature of the task. Keith Pratt, of Underwood Engineers, noted that it was the contractor's responsibility, but Underwood does double check.

P. Pitsas informed the commission that the sewer permit has been granted for the sewer connection at 60 gallons per day. The vessel shop drawings have been approved. This took roughly three weeks longer than expected but will not affect the end date.

c) Wells 7 & 8 design progress

K. Pratt informed the commission that the drawings for wells 7 & 8 have been submitted at 60% design review and comments are due back on December 24, 2019. He noted this to be a critical milestone as it is one of the last chances to make significant changes. In comparison to the original report, the building is 64% larger than envisioned (2018), a lot of which has to do with the lag vessels. There is also 50 % more carbon than what was initially envisioned. The current design has both lead and lag vessels but was initially envisioned with only lead vessels. The design encompasses empty floor space, a removable roof, and a knockout wall. K. Pratt noted that wells 7 & 8 are tracking close to the cost estimate.

At this time the commissioners were given an early opinion of cost for planning purposes. The Petitioned Warrant Articles for Wells 7 & 8 were \$3.6M using the 2018 report. An additional \$1M to \$1.5M is estimated in order to place lag vessels and to build additional floor space for future resin vessels at the facility. There are a few value-added items that may provide the

ability to reduce cost. It was noted that construction costs have increased since the original report in 2018. Wells 7 & 8 has an early opinion of cost coming in between \$4.6M and \$5.1M.

Chairman D. Provencher asked what vessels will be at wells 7 & 8. P. Pitsas noted that there are two 15' diameter lead / lag vessels as well as space for resin vessels. There was brief discussion regarding possible removal of the lag filter as well as other alternatives. Commissioner W. von Schoen questioned how long the turn around would be to replace the media once breakthrough is detected. An exact answer was unknown, but Underwood will investigate.

Underwood informed the commissioners of a coordination meeting with the state on January 9, 2020, regarding dispersal of funds.

K. Pratt noted that if the cost is unable to be reduced to the original \$3.6M, there will need to be a plan to handle the remainder. Guidance was given from the commissioners to Underwood to run numbers without the lag vessels as well as with a smaller building footprint. Decisions will need to be made quickly in order to keep the project moving. A work session has been set for December 30, 2019, at 2 pm.

d) Wells 2 & 3 design progress

At this time, K. Pratt informed the commission that wells 2 & 3 is at 30% design. This is the first milestone after the concept design (2018). The building for wells 2 & 3 is roughly 42% larger than initially envisioned in 2018 with roughly 66% more carbon. There has been a design flow change. The capacity of the plant has increased from 1,900 gallons per minute to 2,500 gallons per minute. Wells 2 & 3 are tracking significantly over the original cost estimate.

The breakdown provided on the Early Opinion of Cost for Planning Purposes estimated the Petitioned Warrant Articles to be at \$10.9M. The lag vessels will increase this an additional \$2M to \$3M. Value added items increase the project by another \$2M to \$3.5M. Many of the value-added items are likely not necessities and are potentially able to be reduced from the project. A list of potential saving items was included. The original report listed the PFAS capacity at 1,900 gallons per minute and raising this to 2,500 gallons per minute upped the cost by roughly \$1.3M.

Chairman D. Provencher asked about the possibility of abandoning well 3, and relocating the proposed treatment plant to the MVD maintenance garage off Continental Blvd. That would eliminate a new raw water main between the garage and well 3, and eliminate the cost to treat well 3 for iron and manganese. The treated water from the new treatment plant at wells 4 & 5 would offset some of the supply lost from well 3, and if it was possible to replace well 1, without the need for iron and manganese treatment, additional supply could be achieved, and the cost for iron and manganese treatment could be avoided on the order of multiple millions of dollars. There was no clear understanding of whether this was a feasible option and will be reviewed.

K. Pratt noted that another potential saving item is pavement, at roughly \$170,000. A gravel drive is a potential option.

Commissioner K. Ayers questioned the \$75,000 listed for radios. P. Pitsas informed the commission that the current radios are obsolete, and all radios must be the same. Commissioner W. von Schoen stated that some items should be allocated to Capital Reserves.

K. Pratt stated that he would like to see 2-3 work sessions in advance of the next Board of Commissioners meeting. A work session has been set for December 30, 2019, at 2 pm.

2. Board of Commissioners to review final agreement for the purchase of a Conservation Easement in Hollis.

At this time, Chairman D. Provencher informed the public that the MVD started looking at the Wright Property back in 2013 as an additional source as well as conservation land to help protect MVD wells 7 & 8. This property is a 28-acre site located off South Merrimack Road in Hollis, NH, and is adjacent to Witches Brook, MVD wells 7 & 8, and the treatment plant at wells 7 & 8. This property lies within the 400-foot radius of well 7, the sanitary protection area, and almost entirely in the Well Head Protection Area (WHPA) for wells 7 & 8.

Chairman D. Provencher noted an addendum to the purchase and sale agreement. The purchase price that was previously agreed to was \$250,000 for the easement. A deposit of \$25,000 was previously paid by the buyer. The addendum includes a payment of \$100,000 to be paid to the seller at the time of transfer. The balance of \$125,000 would be paid to the seller if/when MVD development began. All terms were agreed to in November 2019 during a meeting between MVD and the Wrights. Additional language was added to the agreement as the seller wished to reserve the right to practice agriculture on the easement. This practice shall not interfere with the installation, operation, and maintenance of the facilities. The use shall be in accordance with the New Hampshire Department of Environmental Services (NHDES). The term “agriculture” is limited to mowing, haying, or spruce tree farming. Grazing animals are excluded. Tree farming is to be conducted in connection with a licensed forester. The buyer shall post the property as a watershed area and be restricted with “no hunting” and “no trespassing” signs.

3. Board of Commissioners to hear update on Saint Gobain main extensions and private well hook ups

At this time, Business Manager J. Lavoie informed the commission that as of December 10, 2019, the remaining well hookups were complete.

4. Board of Commissioners to review the minutes from the November 18, 2019 Public and Non-Public sessions.

APPROVAL OF MINUTES

Board of Commissioners Public Session November 18, 2019

No amendments were offered

MOTION BY COMMISSIONER J. COMER TO ACCEPT THE MEETING MINUTES OF THE NOVEMBER 18, 2019 PUBLIC BOARD OF COMMISSIONERS MEETING AS PRESENTED

MOTION SECONDED BY COMMISSIONER K. AYERS

MOTION CARRIED

4-0-0

OLD BUSINESS

At this time, Business Manager J. Lavoie provided the commissioners with a handout showing a change order to the contract with Emery and Garret. Jaime Emery, of Emery & Garret, has been working on research and power point presentations for the sodium and chloride reduction project. J. Emery gave a presentation on December 6, 2019, to a few stakeholders, townsfolks, police, and the Department of Public Works (DPW). Councilman Bill Boyd was present at the December 6 presentation, and requested that the presentation be done for both the Town Council and the Planning Board. The change order, in the amount of \$4,800, is to add in the requested PowerPoint presentations. Commissioner W. von Schoen expressed concerns with the cost, given that the presentation is already complete and requires minor changes, such as the date and audience name. It was noted that the cost is to include time and expenses. Chairman D. Provencher noted that it was a very powerful presentation and will effectively share the message of the sodium and chloride issues. Vice Chairman J. Comer also stated that the presentation was well done.

MOTION BY COMMISSIONER W. VON SCHOEN TO AMMEND CHANGE ORDER #1 OF PROJECT 33.0083056.04 TO INCLUDE A BREAKDOWN OF COST

MOTION SECONDED BY COMMISSIONER J. COMER

MOTION CARRIED

4-0-0

MOTION BY COMMISSIONER J. COMER TO ACCEPT CHANGE ORDER #1 OF PROJECT 33.0083056.04 AS AMMENDED BY THE BOARD OF COMMISSIONERS

MOTION SECONDED BY COMMISSIONER W. VON SCHOEN

MOTION CARRIED

3-1-0

COMMISSIONER K. AYERS VOTED IN OPPOSITION

Chairman D. Provencher asked if the Post Office had any information regarding customers not receiving their MVD bills, as mentioned at the November 2019 meeting. Business Manager J. Lavoie noted that the post office has not yet been able to determine the problem.

Additionally, Commissioner W. von Schoen asked Director Holton about the electronic bill pay feature. She noted that the system will be updated, with a hopeful decision of which firm MVD will use in the next couple of months. An update will be provided at upcoming meetings.

NEW BUSINESS – None

SUPERINTENDENT’S REPORT

Business Manager J. Lavoie presented the Superintendent’s Report on behalf of Superintendent R. Miner, who was not present. The CTD Divers (conductivity, temperature, depth) will be put in certain monitoring wells around Merrimack to monitor sodium and chloride. They have been ordered and will arrive on Thursday, December 19, 2019. Emery & Garret will coordinate with Business Manager Lavoie to get them installed. Data will be collected to monitor the changes through out the winter.

Business Manager J. Lavoie informed the commission that Superintendent R. Miner received a letter from Michael Brooks at ATSDR (Agency for Toxic Substances & Disease Registry). He is looking to gather information for a model and will set up a conference call (date TBD) with Superintendent R. Miner. This will be run through Devine Millimet.

Additionally, regarding the Wright Property, Business Manager Lavoie informed the commission that the machine shop on the next property over is being sold. A potential buyer is looking for a variance to change the zoning from residential. Superintendent R. Miner has written a letter of nonsupport.

QUESTIONS FROM THE PUBLIC – None

QUESTIONS FROM THE PRESS - None

ADJOURNMENT

MOTION BY COMMISSIONER J. COMER TO ADJOURN

MOTION SECONDED BY COMMISSIONER K. AYERS

MOTION CARRIED

4-0-0

The December 16, 2019 meeting of the Board of Commissioners was adjourned at 8:28 p.m.

Submitted by Amanda McKenna, Recording Secretary