

**MERRIMACK VILLAGE DISTRICT
BOARD OF COMMISSIONERS
DECEMBER 21, 2020
MEETING MINUTES
(approved February 22, 2021)**

A regular meeting of the Board of Commissioners was conducted on December 21, 2020 at 5:00 p.m. at 2 Greens Pond Road, Merrimack, NH.

Chairman, Donald Provencher presided (via electronic participation):

Members of the Board present: Wolfram von Schoen, Vice Chairman (electronic participation)
 John Lyons, Personnel Liaison, (electronic participation)
 Kenneth Ayers (electronic participation)

Members of the Board Absent: Paul McLaughlin

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

FINANCIAL REVIEW

A. Analysis of Revenue and Expenditures Report

Michele Holton, Finance/H.R. Director, informed the Commission that being through the end of November, Merrimack Village District (MVD) is 41.67% through the fiscal year. The overall revenues are at 44.6% with a variety of highs and lows due to factors such as the drought and COVID. Director Holton noted that at the budget meeting it would be beneficial to discuss how the long-term capital plan and fund balance fold into the plan for rates moving forward. She noted that while the budget is a bottom-line budget, the expectation has been to have surpluses that could potentially both increase the fund balance and be put into capital reserves. Vice Chairman W. von Schoen reminded the commission that MVD water sales were down due to the drought in the summer and wells being down. Overall, the water usage is at 45.52% of budget despite mercantile and industrial being lower than usual. Director Holton informed the commissioners that water sales are only \$14,000 below the prior year. Chairman D. Provencher asked about the state's directive to waive fees and penalties due to Covid, and if it was still in force. Director Holton answered that the moratorium required that late fees not be accrued on any piece of a past due balance that is from August 2020, or earlier. The moratorium expired in August 2020. Due to the way the billing system is set up there has been no easy way to charge prorated late fees on a combined balance. Director Holton noted that MVD staff has sent out notices to customers with larger balances requesting they get in touch to create a repayment plan. Vice Chairman W. von Schoen informed the commissioners that he had received complaints about triple billing. He noted that he encouraged customers to review their usage and reminded customers that many more family members are or had been home. He also encouraged customers to reach out to the MVD office with questions.

Chairman D. Provencher asked about account 40405 (Interest Income) being at 4.9% and whether this was a timing issue. Director Holton answered that the interest rates have decreased since the budget was built. Chairman D. Provencher also asked about the service charge for backflow testing being low. Business Manager J Lavoie noted that these tests are staggered throughout the year. It was also noted early on in 2020 that the “high hazard” buildings that previously required two tests per year would only require one test. The bulk of the testing was done in early 2020 which fell into the previous fiscal year. Roughly 25% of the testing done is considered high hazard.

Chairman D. Provencher asked if funding from the CARES Act could be requested to recoup any lost revenue. Director Holton noted that at this point that was not an option but MVD continues to track the changes.

For expenses, Director Holton stated that account 60600 (chemicals) is above the budget reference point due to the increased ordering with Wells 4 & 5 being up and running. Director Holton also noted that total expenses are at roughly \$1.414 M. This is roughly \$125,000 higher than the prior year to date comparison. The net income at this time last year was \$561,000 compared to \$422,000 at this time. Timing of line items plays into this. Additionally, the amount from “wages and benefits” is higher this year. MVD is on budget with the current fiscal year.

B. Bank Account Summary Review

Vice Chairman W. von Schoen referenced account 10160, TD Bank Turkey Hill Booster, noting that since September it has been a flat \$250,000. He asked why this is, stating that it’s an unusual number for a bank account. Director Holton answered that this is because funds from the operating account have been transferred to this account in the instances where there is a delay in the disbursements coming from the state. MVD has been working with them to get everything to Automated Clearing House (ACH) payments. The state revolving fund (SRF) has been completely turned over to ACH with a 2–3-week turnaround time from submission. Others are still coming in via check. Money was put into this account in order to keep to terms when paying contractors, but the correct funds will circle back to the operating account. Vice Chairman W. von Schoen stated that he would like to see the details and movements from August 31, 2020 end of month balance to the September 30, 2020 balance. Director Holton will email the details.

REGULAR SESSION

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

a) Turkey Hill Booster Update

Tim Puls informed the commission that great progress has been made at the Turkey Hill Booster Station. Work has been focused on the electrical aspects. The utility pole is in place. Puls noted that the original plan was to use the existing conduit but that conduit was found to be blocked and a change order had to be authorized for a new conduit, which is now in place. The Turkey Hill Booster is on target for startup in mid-January. Puls made the commissioners aware that the vendors of the pump station will come up for a two-day training station for the start up. Substantial completion is scheduled for the end of January 2021. Paving completion and landscaping will take place in Spring 2021. It was noted that as of December 21, 2020,

electricity had not yet been run up the hill, but was scheduled for December 22nd. Commissioner J. Lyons asked if MVD had any leverage with the delays that had been experienced. Puls noted that some of the delays had been in part to delays in material, which were COVID related delays. Superintendent R. Miner also noted the most recent delay was due to the unexpected replacement of the conduit. Vice Chairman W. von Schoen asked the amount of the change order for the new conduit. Puls answered that the change order was for \$76,000. Vice Chairman W. von Schoen asked if the need was thoroughly investigated. Puls noted that it was. He stated that he had investigated this himself and requested further investigation before moving forward.

b) Wells 4 & 5 project update

Peter Pitsas informed the commissioners that the contractor for Wells 4 & 5 is currently working on punch list items, many of which have been completed, the rest will likely be completed in early January 2021. Pitsas noted that a change order had been needed due to how the communication was going to dispatch for the fire alarm system. A cellphone dialer was needed and is now functional. Pitsas stated that the plant has been running well. There were a few chemical issues that were dealt with. The plant has been pumping at roughly 620 gallons per minute (GPM). Pitsas noted that 620 GPM is on the higher side of what can be sustained. The Well level readings are being sent to Emery & Garrett for evaluation. Underwood will work with Superintendent R. Miner, using the information from Emery & Garrett, to determine a plan for usage as to not tax the aquifer. The Wells 4 & 5 Treatment Plant is currently running 24-hours per day. Chairman D. Provencher asked if Wells 4 & 5 have transducers that are connected into the SCADA system. Pitsas informed the commission that these have been put into all new wells for multiple years.

Vice Chairman W. von Schoen asked if there would be a debriefing with the contractor at the closeout. Pitsas informed him that there is nothing formal scheduled and asked if there was interest. Vice Chairman W. von Schoen noted that he believes MVD should be able to voice their concerns to the contractor and make them aware that if they hope to bid again on other MVD projects there will not be as much leniency. Pitsas noted that Well 2 would be going out for bid at the end of January and asked the commissioners if they would like this done before the contractors potentially bid on Well 2. Chairman D. Provencher stated that he would like this done before Well 2 goes out for bid. Pitsas informed the commissioners that there is a project meeting on January 14, 2021 and asked if they would like to discuss this at that time. Chairman D. Provencher stated that he would like to participate in that discussion.

Pitsas noted that the general conditions that Underwood uses on a project are the same general conditions used by NHDES for SRF and the Trust Fund. Underwood does provide the chance to modify the general conditions and can do this for the Well 2 project. It was noted that there have been no issues of faulty work and the issues are regarding timeline. Vice Chairman W. von Schoen noted that he does not believe the delays were at the fault of Penta, but rather it was his understanding that Penta's electrical subcontractor was behind most of the delays. This is the same electrical contractor used for the Turkey Hill Booster and Wells 7 & 8. Chairman D. Provencher asked if MVD would be allowed to exclude certain subcontractors in Well 2's forthcoming RFP. Pitsas responded that he did not believe NHDES would allow that. Commissioner J. Lyons noted his belief that a tiered penalty clause would be beneficial. Vice Chairman W. von Schoen stated that he would like to see a penalty clause in addition to liquidated damages in contracts moving forward. Chairman D. Provencher expressed concerns over presenting too much risk to a contractor, in which Pitsas agreed and noted that a

contractor may increase the contract price. Chairman D. Provencher clarified that he was not shying away from including penalties in the contract, but wanted to make sure if MVD considered adding penalties, that it doesn't significantly increase the bid prices.

c) Wells 7 & 8 project update

Pitsas informed the commissioners that the block walls have been erected at Wells 7 & 8. There is work scheduled for the winter, but not enough work to carry through the entire winter. The critical path item is the GAC vessels delivery. The GAC vessels shop drawing has been returned to the contractor and two coordination meetings between Underwood, the contractor, and Evoqua have taken place. The first meeting was on November 24, 2020 and the second was on December 2, 2020. Underwood received the resubmittal on December 15, 2020. Underwood will review and return. Once the shop drawing is approved, a delivery date can be set. Pitsas noted that a better schedule should be available at the January 2020 Board of Commissioners meeting. It is believed substantial completion will be in the September 2021 time frame. Initial discussion had the vessel delivery set for early April 2021. Delivery currently appears to be closer to the May 2021 time frame. Pitsas noted that the entire process of the shop drawings took longer than anticipated. It was noted that Evoqua is difficult to work with. Vice Chairman D. Provencher noted that in the future it may be best for MVD to order vessels directly, without using the contractor. Pitsas informed the commission that Underwood has given this thought in the past, but responsibility becomes unclear at that point. Superintendent R. Miner stated that if this was sole sourced by MVD while contract bids were taking place, the schedule would be sped up. Pitsas asked Superintendent R. Miner if MVD would like him to investigate this option. Superintendent R. Miner believed that to be a good path.

d) Well 2 Project Update

Pitsas informed the commissioners that the Well 2 Project design is close to completion. The septic design will be submitted on December 22, 2020 to NHDES, which usually has a 3–4-week approval time and should be back before the project goes out to bid. Pitsas let the commissioners know that he presented the project to the planning board the week prior. The project does not require approval from the planning board. Pitsas informed the commissioners that the 100% design submittal is scheduled to be submitted on January 8, 2021, but this date may change slightly due to an Underwood employee illness, and due to a death in the family of an Underwood structural design subcontractor. The 100% submittal will go to both Superintendent R. Miner and NHDES. Pitsas noted that a 5-hour work session with MVD staff and Underwood had already taken place and hopefully had taken most of the larger concerns off the table. Underwood would like the Well 2 Project to be out to bid at the end of January 2021. The bids would then open at the end of February 2021. Contract signing should happen around the end of March 2021, with the hope to begin the project in April 2021. The Well 2 Project is expected to take roughly 14-months, bringing the plant online in May of 2022.

Pitsas informed the commission that this is currently known as the Well 2 Project but it could become known as the Well 2/9 Project. There is a separate bid item for all of the Well 2 work. Well 9 does not yet have approval, which is expected much later in 2021. Conversations with Emery & Garrett will be ongoing as information for Well 9 becomes available and there will be wording in the Well 2 contract to reflect this. Pitsas noted that change orders may be

required due to this information. Estimates will be conservative in an attempt to avoid substantial change orders.

2. Board of Commissioners to discuss D. Provencher's email dated December 5th, 2020 relative to various initiatives.

On December 5, 2021 Chairman D. Provencher sent out an email to the commissioners with an outline of multiple topics he would like to review further.

Chairman D. Provencher noted that as far as the salt mitigation project goes, he would like to see a map developed to outline which roads MVD would like to see with little or no salt use, and where “no salt” or “low salt” signs should be posted. Superintendent R. Miner noted that he spoke with Kyle Fox (DPW director), and they will drive around Merrimack on December 29, 2020 to mark the current no and low salt use areas on a map. The Town of Merrimack has ordered new signs to replace those that are faded or missing. Well Head Protection Area (WHPA) signs can also be replaced through the town if any are missing. It was noted that NHDOT has not been present at both salt mitigation meetings due to reported short notice. Chairman D. Provencher noted that salt application by NHDOT on Industrial Drive and on Continental Blvd south of industrial Drive is obscene. Chairman D. Provencher stated that he would like to know the implications should NHDOT not abide by the low or no salt use signs. Vice Chairman W. von Schoen asked if MVD could schedule a meeting with NHDOT at NHDOT's leisure. Superintendent R. Miner noted that he would move forward with Kyle to schedule a meeting with NHDOT. Commissioner K. Ayers asked if MVD could send NHDOT the salt mitigation webinar. Business Manager J. Lavoie noted that the webinar video is posted on MVD's website, and it could be shared.

The second item in Chairman D. Provencher's email is related to the salt issue as well. Chairman Provencher noted that he would like the board's approval to talk to MVD attorney Keri Roman regarding the legalities of a “Salt Restriction By-Law”, in the event that MVD would consider implementing a by-law. Superintendent R. Miner will let Keri know that the board would like to move forward in gathering this information.

The third item on the email addresses the well head protection area (WHPA) for Wells 4 & 5, noting that it is smaller, inconsistent with, and less conservative than what is shown on the Town's zoning maps. Chairman D. Provencher would like Emery & Garrett to review and explain to the Board how that WHPA was developed. Business Manager J. Lavoie informed the commissioners that the email was forwarded to Jaime Emery and he responded that he would be preparing answers for any of the questions the board had that involved Emery & Garrett.

The fourth item questioned which entity has the authority to determine official WHPAs. Superintendent R. Miner noted that his understanding of J. Emery's explanation is that the WHPAs would be submitted to NHDES via MVD for approval.

The fifth item was to discuss the possibility of additional detail, including staff hours, tasks descriptions, and hourly rates on invoices from Underwood and Emery & Garrett. This request has been discussed with Underwood and has been forwarded to Emery & Garrett.

Chairman D. Provencher discussed memorializing the webinar on the salt mitigation study. He noted that he would like to see if some webinar attendees would like to be publically identified as such. Chairman D. Provencher would like to have this salt mitigation effort and webinar publically promoted more. Business Manager J. Lavoie stated that she was not sure if anyone would be open to

that as it may invite criticism, but she would investigate this further. Chairman D. Provencher would like the participating attendees to be viewed as invested in making a beneficial change for MVD’s water. Vice Chairman W. von Schoen asked if permission to record the webinar was given at the beginning of the salt mitigation meeting. Superintendent R. Miner and Business Manager J. Lavoie stated that it was noted at the beginning of the meeting that it would be recorded and there were no objections.

Chairman D. Provencher also wanted to know what measures MVD has in place to track chlorine residuals and any chlorine overshoots at the pump stations. He asked Superintendent R. Miner if there were any fail safes in place to automatically shut the well off if too much chlorine or a high pH is detected. Superintendent R. Miner answered that the well does not shut off but those alarms exist, and MVD is notified and corrective action can be taken. Superintendent R. Miner informed the commission that historical chlorine data, as well as alarms, are stored in the SCADA system.

Lastly, Chairman D. Provencher asked if MVD staff had taken over the graphing of the water quality data. Business Manager J. Lavoie answered that MVD staff had not taken this over as it was a lot to keep track of where EGGI would need the information regardless. Having the information at immediate access for EGGI is beneficial should they need to run additional reports or tests. Vice Chairman W. von Schoen expressed his concern regarding the cost of having Jamie Emery graph the information. Commissioner J. Lyons suggested MVD ask the lab to graph the information.

3. Board of Commissioners to review the minutes from the October 19, 2020 Public Session, November 9, 2020 Special Meeting and November 16, 2020 Public Session.

APPROVAL OF MINUTES

Board of Commissioners Public Session November 16, 2020

No amendments were offered.

Board of Commissioners Special Meeting November 09, 2020

No amendments were offered.

Board of Commissioners Public Session October 19, 2020

The following amendments were offered:

Page 4, line 25, the surname “Pulse” should read “Puls”

MOTION BY COMMISSIONER J. LYONS TO ACCEPT THE MEETING MINUTES OF THE NOVEMBER 16, 2020 PUBLIC SESSION OF THE BOARD OF COMMISSIONERS MEETING, THE NOVEMBER 09, 2020 SPECIAL MEETING, AND THE OCTOBER 19, 2020 PUBLIC SESSION AS PRESENTED

MOTION SECONDED BY COMMISSIONER K. AYERS

A Viva Voce Roll Call was conducted, which resulted as follows:

Yea: Donald Provencher, Wolfram von Schoen, John Lyons, Kenneth Ayers,

4

Nay:

0

MOTION CARRIED

4-0-0

4. Board of Commissioners to review Action Items from previous meetings and those to be added from this meeting.

The Commissioners reviewed the list of Action Items, removing tasks that have been completed.

5. Old Business

None

6. New Business

None

7. Superintendent's Report

Superintendent R. Miner informed the commissioners that the stumps that were placed on MVD property in the area of Well 2 have been completely removed.

8. Questions from the Public

None

9. Questions from the Press

None

NON-PUBLIC SESSION

**MOTION BY COMMISSIONER W. VON SCHOEN THAT THE COMMISSION GO INTO
NON-PUBLIC SESSION PURSUANT TO RSA 91-A:3, II(1);
MOTION SECONDED BY COMMISSIONER J. LYONS**

A Viva Voce was conducted, which resulted as follows:

Yea: Donald Provencher, Wolfram von Schoen, John Lyons, Kenneth Ayers,

4

Nay:

0

MOTION CARRIED

4-0-0

The Commission went into non-public session at 8:10 p.m.

The Commission came out of non-public session at 8:17 p.m.

SEALING OF MINUTES

Board of Commissioners Non-Public Session December 21,
2020

**MOTION BY COMMISSIONER K. AYERS TO SEAL THE MEETING MINUTES OF THE
DECEMBER 21, 2020 BOARD OF COMMISSIONERS MEETING NON-PUBLIC SESSION
MOTION SECONDED BY COMMISSIONER W. VON SCHOEN**

A Viva Voce was conducted, which resulted as follows:

Yea: Donald Provencher, Wolfram von Schoen, John Lyons, Kenneth Ayers
4
Nay: 0

MOTION CARRIED

4-0-0

ADJOURNMENT

**MOTION BY COMMISSIONER J. LYONS TO ADJOURN
MOTION SECONDED BY COMMISSIONER K. AYERS**

A Viva Voce was conducted, which resulted as follows:

Yea: Donald Provencher, Wolfram von Schoen, John Lyons, Kenneth Ayers,
4
Nay: 0

MOTION CARRIED

4-0-0

The December 21, 2020 meeting of the Board of Commissioners was adjourned at 8:20 p.m.

Submitted by Amanda McKenna, Recording Secretary