

**MERRIMACK VILLAGE DISTRICT
BOARD OF COMMISSIONERS
MAY 17, 2021
MEETING MINUTES
(approved June 21, 2021)**

A regular meeting of the Board of Commissioners was conducted on May 17, 2021 at 5:03 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, Finance Liaison, (electronic participation)
 Paul McLaughlin, Personnel Liaison (electronic participation)

Members of the Board Absent: Kenneth Ayers

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 having completed the month of April, MVD is 83.33% through the fiscal year. The overall revenues are at 80.7%. Expenses are at 72.9%. Director Holton noted that the net ordinary income as of April 30, 2021, was \$319,000. At the same time last year, the District was at 86.7% of budget for revenues, and 73.8% of budget for expenses, with a net ordinary income of \$496,000. Director Holton informed the commissioners that the mercantile commercial, school, and commercial are still varied from the norm and will continue to be monitored.

B. Bank Account Summary Review

Director Holton informed the commissioners that \$448,000 had been moved to Capital Reserves in the month of April per the Annual Meeting. The Wells 7 & 8 Iron and Manganese Water Treatment Plant SRF Loan payment of \$260,000 has also been posted. Director Holton also noted that at the end of April 2021 the Operating account has \$1.4M with an additional \$900,000 to be requested from Capital Reserves.

C. Treasurer's Position Update

Director Holton informed the commissioners that the job description for the position of Treasurer will be completed on May 18, 2021, with the goal of having it posted early the following week. Vice Chairman W. von Schoen asked what the concrete steps are for moving towards an appointed position. Director Holton answered that MVD is able to post the position as they would any other open position within MVD. MVD would review resumes and then interview candidates, possibly in a public forum such as the BOC Meeting. Vice Chairman W. von Schoen asked if this was being moved to a paid position. Director Holton informed him that it would not be a paid position, but

rather a stipend. The current stipend is \$2,500. This amount may change depending on what duties can be delegated.

REGULAR SESSION

- 1. **Board of Commissioners to review the minutes from the April 12, 2021 Special Meeting, April 19, 2021 Regular Meeting, April 20, 2021 Work Session and the May 4, 2021 Non-public Session.**

APPROVAL OF MINUTES

Board of Commissioners Special Meeting April 12, 2021

No amendments were offered.

MOTION BY COMMISSIONER P. MCLAUGHLIN TO ACCEPT THE MEETING MINUTES OF THE APRIL 12, 2021 BOARD OF COMMISSIONERS SPECIAL MEETING AS PRESENTED

MOTION SECONDED BY COMMISSIONER W. VON SCHOEN

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

Yea: Donald Provencher, Wolfram von Schoen, John Lyons, Paul McLaughlin

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Nay:

0

MOTION CARRIED

4-0-0

Board of Commissioners Regular Meeting April 19, 2021

No amendments were offered.

MOTION BY COMMISSIONER J. LYONS TO ACCEPT THE MEETING MINUTES OF THE APRIL 19, 2021 BOARD OF COMMISSIONERS PUBLIC MEETING AS PRESENTED

MOTION SECONDED BY COMMISSIONER W. VON SCHOEN

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

Yea: Donald Provencher, Wolfram von Schoen, Paul McLaughlin, John Lyons

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Nay:

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MOTION CARRIED

4-0-0

Board of Commissioners Work Session April 20, 2021

No amendments were offered.

allows for Towns and School Districts to merge their elections and does not include Village Districts. Attorney K. Roman stated that her answer, based on review of the RSAs, is that MVD does not have legal authority to merge with the Town of Merrimack and School District elections.

Vice Chairman W. von Schoen asked the commissioners if this is something that should be brought to the attention of the Merrimack Representatives for a possible change. Attorney K. Roman noted that the language is nearly identical in two RSAs, the earlier mentioned RSA 40:14-a, and again in the election law RSA 671:26-a. Both would need to be addressed.

It was also noted that changing to an SB2 would require double budgets. Vice Chairman W. von Schoen stated that it is important to understand the impacts of changing to an SB2, such as eligibility for certain grants and changes to settlement agreements. Vice Chairman W. von Schoen stated that he would like to have staff and legal prepare a list of the pros and cons of switching to an SB2.

**MOTION BY COMMISSIONER W. VON SCHOEN TO HAVE MVD STAFF AND ATTORNEY K. ROMAN PREPARE A LIST OF PROS AND CONS OF SWITCHING TO SB2
MOTION SECONDED BY COMMISSIONER D. PROVENCHER**

A Viva Voce was conducted, which resulted as follows:

Yea: Donald Provencher, W. von Schoen, Paul McLaughlin, John Lyons
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Nay: 0

**MOTION CARRIED
4-0-0**

** 40:14-a Coordinating Certain Town and School District Elections. – To facilitate voting for future annual meetings, to reduce costs, and to best accommodate the voters of the town, the legislative body of a town, which has not adopted the official ballot referendum form of meeting, although the school district has adopted the official ballot referendum form of meeting, may authorize coordination of future town elections with the school district elections. The joint elections shall be held at a time and place determined by, and shall be supervised by, the election officials of the town, as provided in RSA 671:26. The town and the school board shall allocate the costs of the joint elections in the same manner as in previous years, or as mutually agreed upon by the governing body of the town and the school board.*

3. Board of Commissioners to hear update from Jamie Emery regarding Well 9 pump test and change order.

Jamie Emery informed the commissioners that they have received approvals from NHDES for everything needed for the pump test and are now waiting on responses from homeowners. He noted that they are roughly two-three weeks away from being ready to do the pump test. Superintendent R. Miner noted that the new pump for Well 2 should be shipped out May 19, 2021. Chairman D. Provencher provided background information and stated that the cleaning of the Well 2 screen went well, but the pump was corroded. It was noted that the pump was seventeen years old. Well 2 will likely be down for two-weeks. Emery informed the commissioners that the Well 9 pump test is tentatively scheduled for the week of June 7th or June 14th, 2021. Emery presented the commissioners with a change order. The Change Order adds Task 7 (Wetland Review/Inventory – Flora and Fauna Assessment/Vernal Pool Assessment =

\$5,200), Task 8 (Prepare Written Response to NHDES Regarding Pumping Test Approval Including Certified Mailings to all Property Owners within 1,000-foot radius of Well MVD-9 = \$4,200), and Task 9 (Provide additional assistance in Laying Out Discharge Pipe for Pump Test [2,000 feet] = \$4,000). The total change order is for \$13,400. Chairman D. Provencher asked Emery if Task 7 was requested by NHDES. Emery answered that it was.

MOTION BY COMMISSIONER J. LYONS TO APPROVE CHANGE ORDER NUMBER 2 BY EMERY & GARRETT DATED MAY 17, 2021, IN THE AMOUNT OF \$13,400 WITH FUNDS TO COME FROM THE NEW WELL FUND

MOTION SECONDED BY COMMISSIONER P. MCLAUGHLIN

A Viva Voce was conducted, which resulted as follows:

Yea:	Donald Provencher, Wolf von Schoen, John Lyons, Paul McLaughlin
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Nay:	0

MOTION CARRIED

4-0-0

4. Board of Commissioners to hear project updates from Underwood Engineers, Inc to include:

a) Wells 7 & 8 update

Peter Pitsas informed the commissioners that the contractor has done a great job, continuing to get as much work done as possible until the vessels arrive. The vessels were scheduled to be delivered on June 7, 2021, however Evoqua only had one truck available to deliver the vessels. In turn, they have moved up the schedule to deliver one vessel the week of May 24, 2021, and the second vessel will be delivered as originally scheduled. The contractor will continue as scheduled. Chairman D. Provencher asked if the crane would be required for a longer period, and if so, would MVD be responsible for that. Pitsas answered that there will be an extra cost, but he imagines the contractor will attempt to back charge Evoqua for the cost. He stated that it will not be an added cost for MVD.

b) Well 2

Pitsas made the commissioners aware that the environmental review came back for Well 2. He reminded the commissioners that Underwood was able to award the project to Kinsmen but they were unable to sign a contract until the environmental review came back. No comments came back on the environmental review and the contract signing can move forward. The start time will likely be the end of June or early July 2021, depending on when the shop drawings are submitted. The shop drawings are greater than 50% complete with the intention of submission prior to the end of May 2021. The shop drawings will not be released by Evoqua until there is a firm contract with Kinsmen. Pitsas noted that a preliminary bed life warranty was submitted and is less than what was listed in Underwood's specifications. This will be discussed at an upcoming meeting between Underwood and Evoqua.

c) Wells 4 & 5 media change out

Keith Pratt informed the commissioners that Underwood has provided them with trend charts to provide a better representation of what is being seen for PFAS as it passes through the lead vessel, to help in the decision making.

d) Corrosion Control Report

The commissioners decided to put this on hold until the June BOC meeting. Any questions that need clarification can be sent along to Underwood via email prior to the meeting.

e) Rate Increase

Underwood Engineers provided the commissioners with a sample water bill showing existing rates compared to alternatives. K. Pratt explained to the commissioners that Underwood calculated a tier structure based on 10% difference between tier 1 and tier 2, and that is what was shown. He reminded the commissioners that there was also debate about whether the overall rate increase should be 9% or 22%. Underwood has recommended the 22% rate increase along with a tiered rate structure of 3,000 cubic feet per quarter with a 10% increase for users who exceed that amount. The rate of 3,000 cubic feet per quarter is roughly 250 gallons per day, which is above Merrimack's average domestic user. With the suggested rate, the increase would go from the current rate of \$2.32 to \$2.83. Once bumped into the second tier, the rate would jump from \$2.83 to \$3.11. The meter charge for 5/8" would increase from \$64 to \$78 and the hydrant charge would increase from \$78 to \$95.

K. Pratt reviewed the presentation that had been shared with the commissioners prior to the Warrant Articles. In this presentation Underwood recommended two 13% rate increases to catch up with non-PFAS related items (a 26% rate increase over two years). At that time, Underwood also estimated a 40% rate increase for 2022 to deal with PFAS related items. There was a 9% rate increase for FY 2019 with no increase implemented in FY 2020. According to Pratt, the 22% rate increase is still less than what MVD will need. The remaining needed rate increase will be figured at a later date. Pratt stated that if the estimates from two years prior were correct, MVD will face an additional 30% rate increase, at a later time. Vice Chairman W. von Schoen made note that the reference to the 2019 Warrant Articles needs to appear on the rate increase flyer that will be sent out, indicating that this increase is conservative in comparison. It was unclear if this was related to surplus. Director Holton noted that it is important to mention that X percentage of a rate increase will allow MVD to cover the operating budget, but additional percentage is needed to meet the Capital Reserve contribution goals. Vice Chairman W. von Schoen noted that he would like a better understanding of the Unrestricted Fund Balance and surplus. Chairman D. Provencher asked if the 22% base rate increase includes a Capital Reserve contribution of \$500,000 or \$250,000, or something less. K. Pratt informed the commissioners that the 22% rate increase will allow a \$500,000 Capital Reserves contribution using the current budget.

f) Trend Charts

At this time, Keith Pratt shared the Trend Charts with the commissioners. Pratt stated that Underwood is tracking the PFAS levels in the lead vessels at Wells 4 & 5. Pratt explained that the chart shows the summation of PFAS compounds going into the treatment plant and what is being removed at each port. He noted that at the 100% port, which is the discharge of the first vessel, all PFAS is 100% removed. It is also being 100% removed at the 75% port. There is roughly 92% removal of all PFAS at the 50% port and 70% removal of all PFAS at the 25% port. The Trend

Chart also breaks down the individual parameters at each port, indicating what is breaking through. Pratt stated that after 8-months of operation, there is only one PFBA that broke through at the 50% port. Pratt informed the commissioners that the trend charts will help plan for when media replacement is needed.

****RECESS****

**MOTION BY COMMISSIONER J. LYONS TO RECESS
MOTION SECONDED BY COMMISSIONER W. VON SCHOEN**

A Viva Voce was conducted, which resulted as follows:

Yea: Donald Provencher, Wolf von Schoen, John Lyons, Paul McLaughlin

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Nay:

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MOTION CARRIED

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PUBLIC HEARING

The Public Hearing for the Merrimack Village District rate increase was opened at 7:01 p.m. and was closed at 7:11 p.m.

**** RECONVENING OF THE REGULAR MEETING UPON COMPLETION OF THE PUBLIC HEARING ****

g) Master Plan Update – emailed 4/30/21

Keith Pratt provided a quick overview of the Master Plan Update. He noted that the commissioners had already seen the findings and recommendations. Pratt stated that there are suggestions for how to deal with Manchester Water Works (MWW) and Pennichuck Water Works (PWW) emergency connections. Underwood is supporting the move forward with Mitchell Woods and Artificial Recharge (AR), as well as a cost-of-service study at the PWW connection for the possibility of a long-term wholesale agreement. Underwood is also recommending longer term improvements to the MWW emergency connection. Pratt informed the commissioners that using MWW or PWW with a wholesale arrangement would be very close to the capabilities of AR and Mitchell Woods. Mitchell Woods would be slightly more expensive but would remain under the control of MVD. It was also noted that if Mitchell Woods required PFAS treatment it would be too expensive, and no longer practical. Underwood has suggested not moving forward with Mitchell Woods or AR until there is a clear understanding of the cost of a wholesale agreement with PWW. Chairman D. Provencher stated that he believes he saw, in one of the reports, that Mitchell Woods did have low levels of PFAS. Pratt answered that he did not have that in his report but will investigate that. It was also noted that PWW does treat for PFAS and is compliant with MCLs but does not treat PFAS in the water to non-detect.

After some discussion, Vice Chairman W. von Schoen stated that he feels it is important to analyze what the main goal is in order to move ahead, whether that is to provide the water faster or at a lower cost. Vice Chairman W. von Schoen stated concerns regarding the treatment of wholesale customers compared to PWW direct customers. PWW hardly implements water bans for their direct customers and was one of the last to put a water ban in place for summer 2020, but their wholesale customers have been known to have water bans implemented earlier. Superintendent R. Miner suggested MVD look into this as a possible short-term solution while working towards AR. It was noted that clarification on whether PFAS needs to be treated to non-detect or simply below the MCLs would help make the decision on the next steps to take, due to cost. Chairman D. Provencher asked K. Pratt about MWW being more costly than PWW. Pratt answered that one of the diagrams Chairman Provencher was looking at included PFAS treatment while the other did not and directed him to a comparable diagram. He noted that otherwise MWW is higher because MVD would require a pumping station. At this time discussion circled back to having PWW guarantee water service if MVD were to become a wholesale customer. There was some confusion surrounding the reasoning of an implemented water ban put in place for Milford, a wholesale customer of PWW, during the summer of 2020, and if MVD could be placed in the same situation. Vice Chairman W. von Schoen suggested creating a decision matrix for moving forward. Chairman D. Provencher stated that he would also like to see the annual operational costs broken out for each alternative, as well as the annual operational costs normalized in cost per million gallons per day of source capacity for each alternative. Commissioner J. Lyons asked K. Pratt if the dollar amount presented for connecting to MWW as a wholesale customer addresses the chloramine issue. Pratt answered that it does.

5. 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.

6. Old Business / New Business

Superintendent R. Miner informed the commissioners that he had sent an email out regarding setting up an open house for the Wells 4/5 treatment plant for the State Representatives and Senators. The timing has not aligned with specific bills, however Superintendent R. Miner noted that he is still interested in doing an open house prior to voting on various pending legislation. The commissioners agreed. Superintendent R. Miner will make contact and MVD will provide a lunch.

7. Superintendent's Report

Superintendent R. Miner informed the commissioners that the lead and copper sampling will be done the week of May 17, 2021. He also stated that he and Dave Fredrickson would be meeting with Underwood during the week regarding well maintenance.

Due to low storage tank water levels as a result of well-2 being off-line, Chairman D. Provencher informed the other commissioners that he was in favor of opening the connection to PWW earlier rather than later if needed to prevent restrictions. Superintendent R. Miner stated that he would have more information on what is available from PWW on May 18, 2021.

8. Questions from the Public / Press

None

ADJOURNMENT

**MOTION BY COMMISSIONER W. VON SCHOEN TO ADJOURN
MOTION SECONDED BY COMMISSIONER P. MCLAUGHLIN**

A Viva Voce was conducted, which resulted as follows:

Yea:	Donald Provencher, Wolf von Schoen, John Lyons, Paul McLaughlin,	4
Nay:		0

**MOTION CARRIED
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The May 17, 2021 meeting of the Board of Commissioners was adjourned at 9:00 p.m.

Submitted by Amanda McKenna, Recording Secretary